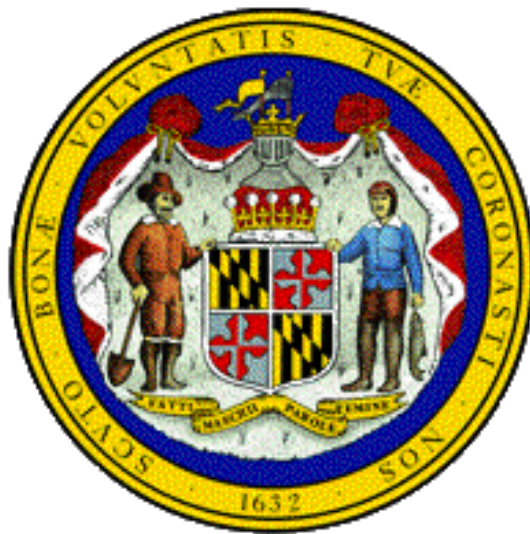


THE STATE OF MARYLAND
POLICIES & PROCEDURES
MANUAL FOR
LOCAL
MANAGEMENT
BOARDS



Issued by The Governor's Office for Children
on Behalf of The Children's Cabinet
Effective July 1, 2009

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INTRODUCTION

A. Scope

1. This Manual provides instruction on the administration and management of Maryland's Local Management Boards (LMBs).
2. The LMB shall incorporate by reference the relevant contents of this Manual into its contracts as appropriate.

B. Reference Materials

1. Documents referenced in this Manual are included in the Appendix of the Manual.
2. Other resources are referenced as part of the Code of Maryland Regulations ("COMAR") and the Maryland Annotated Code. Links to these resources can be found online at:
<http://www.mdarchives.state.md.us/msa/mdmanual/html/mmtoc.html>.

C. Distribution and Updates

1. The Manual shall be issued to each LMB and each Children's Cabinet agency on CD-ROM and shall be available for downloading from the Governor's Office for Children website (<http://www.goc.state.md.us>).
2. Updates to the Manual shall be distributed to the LMBs and the Children's Cabinet agencies as they are finalized.

D. Required Signatures

1. Where signatures are required, only the original signature of the specified individual(s) will be accepted.
2. Electronic signatures, signature stamps, and other alternatives will not be accepted, except when requested to be submitted as a reasonable accommodation under the Americans with Disabilities Act.

F. Definitions

1. In this Manual, the following terms have the meanings indicated.
2. Terms defined:
 - a. "Activity Log" or "ACTLOG" means the case-specific electronic file maintained in SCYFIS that is a record of time spent with the youth, family, and other parties on behalf of the youth and family to achieve a specified goal.
 - b. "Agreement" means the Community Partnership Agreement that is executed by the Children's Cabinet and the LMB.

- c. “Board” means the group of members established by each jurisdiction to ensure the implementation of a local interagency service delivery system for children, youth, and families, in accordance with §8-302 of the Human Services Article of the Maryland Annotated Code.
- d. “Care coordination” means providing intensive care management services to a youth and his or her family, including coordinating Child and Family Team meetings; developing, revising, and managing implementation of the individualized Plan of Care; and, facilitating access to the services and supports outlined in the Plan of Care.
- e. “Care coordinator” means an individual employed through the care management entity who is responsible for providing care management services including, but not limited to, coordination of child and family team meetings and completion of the initial and revised plan of care.
- f. “Care management entity (CME)” means a not-for-profit, 501(c)(3) organization under the Internal Revenue Service (IRS) Code that serve as a central point of service coordination and locus of accountability for identified cross-agency populations of children and youth with intensive needs, and their families.
- g. “Carry-forward” means unspent funds from a fiscal year that are applied as a payment against a grant in the following fiscal year. Carry-forward funds do not increase the award.
- h. “Carry-over” means unspent funds from a fiscal year that are applied to a grant in the following fiscal year. Carry-over funds increase the amount of the award.
- i. “Child” means any individual under the age of eighteen (18) years, or under any other age, as specified by applicable State or federal law.
- j. “Child and Family Team (CFT)” means a team of individuals selected by the participant and family to work with them to design and implement the plan of care.
- k. “Children’s Cabinet” means the Secretaries of the Departments of Budget and Management, Disabilities, Health and Mental Hygiene, Human Resources, and Juvenile Services, the Superintendent of the Maryland State Department of Education, and the Executive Director of the Governor’s Office for Children who convene on a regular basis to develop and implement coordinated State policies to improve the health and welfare of children and families.

- l.** “Children’s Cabinet Fund” means the fund established by §8-502 of the Human Services Article of the Annotated Code of Maryland, the expenditures of which are allocated to each jurisdiction through the jurisdiction’s Local Management Board to support a locally-driven interagency effort to maximize all available resources for children and family services, and which reflects the priorities, policies, and procedures adopted by the Children’s Cabinet. Also known as the Children’s Cabinet Interagency Fund.
- m.** “Community Needs Assessment” means a systematic methodology for gathering information from the community regarding current problems, community strengths, and available programs, services and resources that is used by the LMB to guide local development, expansion and implementation of resources, services and programs.
- n.** “Community Services Initiative (CSI)” has the meaning stated in COMAR 14.31.01.
- o.** “Continuum of care” means the necessary array of services and supports (both professional and natural) that are available in a community to support a spectrum of intensity of need, from opportunities and prevention to intensive therapeutic interventions.
- p.** “Core Service Agency (CSA)” has the meaning stated in COMAR 10.21.17.
- q.** “Family” means one or more parents and children related by blood, marriage, or adoption, and residing in the same household; or a parent substitute or substitutes, including informal and formal kinship caregivers as set forth in Health-General Article, §20-105, Annotated Code of Maryland, and Education Article, §7-101, Annotated Code of Maryland, or legal guardians, who have responsibility for the 24-hour care and supervision of a child.
- r.** “Fiscal Year” has the meaning of the State Fiscal Year of July 1 to June 30 of each year.
- s.** “Flex Funds” means discretionary funds available for certain LMB programs to purchase goods and services in support of a child’s plan of care when no other resource is available and in compliance with this Manual and local policies.
- t.** “Governor’s Office for Children (GOC)” has the meaning stated in Executive Order 01.01.2006.03.

- u.** “Health Care Practitioner” means any individual who is licensed, certified, or otherwise authorized under the Health Occupations Article to provide health care services in the ordinary course of business or practice of a profession.
- v.** “Lead agency” as defined in COMAR 14.31.01.02, means the local agency identified by federal or State law or by the Local Coordinating Council as responsible for the oversight and implementation of the child's plan of care.
- w.** “Local Access Mechanism (LAM)” means an identifiable structure and method that helps families access and coordinate available services and supports, both public and private, to address the full range of needs encountered by families with children.
- x.** “Local Access Mechanism Information and Referral” means the initial interaction of the consumer with the system which is initiated by an individual seeking resource(s) either for a child or a family member of for the whole family.
- y.** “Local Access Mechanism Screening” means the initial triage to identify children at risk and link them to appropriate resources.
- z.** “Local Access Mechanism Assessment” means a comprehensive review of data from multiple sources to identify strengths, resources and needs to develop plans of care.
- aa.** “Local Access Mechanism Evaluation” means the discipline-specific intensive study of a clinical issue performed by an appropriately credentialed professional.
- bb.** “Local Access Mechanism Navigation” means assistance provided to families to help them identify strengths and needs and to obtain necessary services (does not constitute clinical evaluation). The individuals who provide this assistance do not carry a caseload, and are available to families as they present themselves. Families requiring clinical evaluation should be referred to appropriate child-serving agencies, organizations, or appropriately credentialed professionals.
- cc.** “Local Coordinating Council (LCC)” has the meaning as stated in Maryland Human Services Article, Title 8, Subtitle 4, Annotated Code of Maryland and COMAR 14.31.01.
- dd.** “Local Coordinating Council Flex Funds” or “LCC Flex Funds” means funding awarded to the LMBs for community-based services and community-based out-of-home placements needed by children with mental

or developmental disabilities not in State custody, regardless of eligibility for the State Medical Assistance Program in accordance with the grant award issued effective 6/23/06 through 6/30/08.

- ee.** “Local Management Board” or “LMB” means the entity established and maintained by each local jurisdiction pursuant to §8-301 of the Human Services Article of the Maryland Annotated Code for the purpose of overseeing and ensuring the implementation of a local interagency service delivery system for children, youth and families in that jurisdiction.
- ff.** “Manual” means the State of Maryland Policies and Procedures Manual for Local Management Boards issued by the Governor’s Office for Children, on behalf of the Children’s Cabinet, to provide instruction on the administration and management of Maryland’s Local Management Boards.
- gg.** “Office” or “GOC” means the Governor’s Office for Children.
- hh.** “Out-of-home placement” means the 24-hour substitute care for children and youth placed away from their parents or guardians for more than 24 hours and for whom DHR, DJS, DHMH, or MSDE/LSS has supervision and care responsibility.
- ii.** “Plan of Care (POC)” means a written document that is developed that comprehensively describes the services to be provided to a child and family across life domains.
- jj.** “Rehab Option” means the funds available to the Children’s Cabinet Interagency Fund under Health-General Article, §15-139, Annotated Code of Maryland.
- kk.** “Residential Treatment Center (RTC)” has the meaning stated in Health-General Article, §19-301, Annotated Code of Maryland.
- ll.** “Service Record” means the original or a copy of any documentary material, including referral information formal and informal assessments, recommendations, and closing material, for a child receiving service.
- mm.** “SCYFIS” means the State Children, Youth and Family Information System that is maintained, managed, and administered by the GOC. It is a web-based information system that is used to document required data for the Community Services Initiative and Rehab Option programs, the LCC/SCC process, and other initiatives as directed by the Children’s Cabinet, and includes a Resource Directory of residential and non-residential service providers.

- nn.** “Systems of Care” means a comprehensive spectrum of mental health and other necessary services which are organized into a coordinated network to meet the multiple and changing needs of children and adolescents and their families and that are family-driven, youth-guided, individualized, culturally and linguistically competent, and community-based.
- oo.** “Sustainability” means able to be implemented and maintained over a series of fiscal years.
- pp.** “Wraparound” means a service delivery model that includes a collaborative process in which the CFT assists in the development and implementation of an individualized plan of care that includes specified outcomes and adheres to the standards and guidelines set forth by the National Wraparound Initiative.

SECTION I – OVERVIEW OF LMB REQUIREMENTS

Subsection 10 – Establishment

- A.** The establishment of Local Management Boards (LMBs) was originally provided for in Article 49D that was enacted in 1990 and sunset on June 30, 2005.
- B.** In response to the sunset of Article 49D, Executive Order 01.01.2005.34 was issued on June 9, 2005 establishing the Children’s Cabinet and the Governor’s Office for Children (GOC).
- C.** During the 2006 legislative session, the General Assembly passed Senate Bill 294/House Bill 301 that re-codified the LMBs. As of March 24, 2006, Executive Order 01.01.2005.34 was amended by Executive Order 01.01.2006.03. House Bill 301 was signed into law on May 2, 2006, re-establishing LMBs in Article 49D. The law became effective on October 1, 2006.
- D.** Effective October 1, 2007, Article 49D was reorganized and recodified as Title 8 of the Human Services Article of the Maryland Annotated Code.

Subsection 20 – State Oversight

A. Children’s Cabinet

- 1.** Consistent with the requirements of the Executive Order (as amended) and Title 8 of the Human Services Article, the Children’s Cabinet shall:
 - a.** Specify the roles and responsibilities of the LMBs;
 - b.** Establish minimum standards for the composition of LMBs;
 - c.** Establish fiscal and program accountability in the implementation of Community Partnership Agreements (CPAs) and the use of other State resources by LMBs;
 - d.** Establish procedures to ensure the confidentiality of information shared by LMB board members and employees in accordance with State and federal law; and
 - e.** Generally relate to the operation of LMBs.
- 2.** The Children’s Cabinet is chaired by the Executive Director of the Governor’s Office for Children.
- 3.** The Children’s Cabinet is composed of the Secretaries (or their designees) of the Departments of Budget and Management; Disabilities; Health and Mental Hygiene; Human Resources; Juvenile Services; the State Superintendent of Schools; and the

Executive Director of the Governor's Office for Children (GOC).

4. Role of GOC:

- a.** As required by the Executive Order, GOC partners “with Local management boards to plan, coordinate, and monitor the delivery of integrated services along the full continuum of care and oversee the use of Children’s Cabinet Interagency funds in accordance with policies and procedures established by the Children’s Cabinet....”
- b.** GOC provides staff to the Children’s Cabinet.

B. Children’s Cabinet Results Team (CCRT)

- 1.** The CCRT is chaired by the Executive Director of the Governor's Office for Children.
- 2.** Is composed of the Deputy Secretaries (or their designees) from the Departments of Budget and Management; Disabilities; Health and Mental Hygiene; Human Resources; Juvenile Services; and the State Department of Education.
- 3.** Was created by the Children’s Cabinet as the “operating entity” of the Children's Cabinet, and prepares policy recommendations for consideration by the Children's Cabinet.

Subsection 30 – Composition of LMBs

- A.** LMBs are composed of public, private, and community representatives who share the responsibility for implementing a community-based, interagency, family-focused service delivery system for children, youth and families in each local jurisdiction.
- B.** LMBs have core *ex officio* members which may include a senior representative or the department head of the:
 - 1.** Local health department;
 - 2.** Local office of the Department of Juvenile Services;
 - 3.** Core Service Agency/Mental Hygiene Administration;
 - 4.** Local school system; and
 - 5.** Local department of social services.
- C.** Private sector members may include representatives from business organizations; civic and neighborhood organizations; community collaborative groups; private providers of employment, vocational services or other human services; and religious communities and other individuals involved with children and family issues, such as a member of the early care

and education community, etc.

- D.** Family and youth representation on the Board is strongly encouraged under this Manual.
- E.** The Children's Cabinet requires that at least 51% of the LMB membership must be from the public sector, with no more than 49% of members representing the private sector (such as parents, children, advocacy groups, private service providers, etc.).
- F.** It is recommended that the composition of the LMB represent the ethnic and geographical diversity of each jurisdiction.

Subsection 40 – By-Laws

- A.** Each LMB shall have written by-laws that are approved by the Board and the governing body of the jurisdiction, if applicable.
- B.** The Board shall review the by-laws at least every three (3) years to ensure that the by-laws are current and meet the needs of the Board. The by-laws should be revised as needed to reflect actual practice.
- C.** The by-laws shall include/address the following, at a minimum:
 - 1.** Statement of name and LMB mission/goal;
 - 2.** Function or purpose of the LMB;
 - 3.** Identification of Board membership, including the number and composition of members, manner of appointment, length of term, procedure for vacancies, voting authority and process, and attendance requirements;
 - 4.** Officers' terms, removal, resignation, authority and duties;
 - 5.** Meetings;
 - 6.** Quorum;
 - 7.** Committees;
 - 8.** Indemnification;
 - 9.** Identification of fiscal year;
 - 10.** Conflict of interest; and
 - 11.** Process for enacting amendments.

Subsection 50 – Laws, Regulations and Policies

- A. The LMB shall comply with all applicable federal, State and local laws, regulations, and policies, including any regulations or written guidelines adopted by the Children’s Cabinet.

B. Criminal Background Checks and Clearances

1. A national and State criminal history records check is required for individuals in accordance with State law, including Family Law Article, Title 5, Subtitle 5, Annotated Code of Maryland and COMAR 12.15.02.
2. The LMB must ensure that vendors are in compliance with the criminal background check requirements above.
3. The LMB shall ensure that vendors develop and comply with policies and procedures developed to respond to situations in which a criminal background check discloses criminal activity.
4. When a criminal background check is not required pursuant to the Family Law Article noted above, GOC cautions the LMB to consider the possible liabilities of not requiring a criminal background check for all persons who have contact with children. LMBs should seek a legal opinion when applicable.

C. Confidentiality

1. The LMB shall maintain the confidentiality of children and families served and not disclose the name or other identifying information about the child and/or family, including in its written or electronic correspondence with GOC. A SCYFIS number may be used for this purpose.
2. When LMBs communicate with GOC by means other than the SCYFIS system, or with others, as applicable, regarding a child’s case(s):
 - a. Electronic files should be zipped or put into pdf format and password protected. The file and the password should be sent to the recipient in separate emails.
 - b. The LMB may develop and implement its own procedure to ensure confidentiality.
 - c. Hard copy communication should have identifying information redacted.

D. Out-of-Home Placement

1. Children requiring an out-of-home placement shall be placed only in a State/subdivision licensed, certified, or approved placement pursuant to applicable laws and regulations.

Subsection 60 – Responsibilities

- A. The LMB Board shall meet at least quarterly and maintain minutes to document attendance and the business conducted at the meetings.
 - 1. A quorum is required in order to constitute an official meeting:
 - a. 50% of total Board membership; and
 - b. 25% of *ex-officio* members of the Board.
 - 2. A meeting in which a quorum of both groups is not satisfied cannot be considered an official meeting, and no decisions or votes from the meeting can be considered binding unless and until a majority of the voting members have ratified any actions considered.
- B. Each LMB shall:
 - 1. Monitor programs and contracts for performance and compliance;
 - 2. Employ a Director and other staff sufficient to fully execute the Community Partnership Agreement (CPA), within budgetary limits;
 - 3. Ensure policies and procedures are in place as required;
 - 4. Maintain jurisdictional support through its continuing designation as the LMB; and
 - 5. Notify GOC in writing of any LMB changes, including, but not limited to name, address, phone number, LMB Director, Board chair, etc. Notification of changes shall be sent to the Executive Director of GOC via email and **first class mail** as soon as the change is known.
- C. The LMB shall designate an individual to attend or participate by phone in monthly LMB Directors meetings with GOC. The meeting provides a monthly forum for communication between GOC and the LMB Directors about expectations, changes in policies and regulations, best practices, highlights of LMB work, and other pertinent information.
- D. LMBs are the core entity in each jurisdiction to stimulate action by State and local government, public and private providers, business and industry, and community residents to build an effective system of services, supports, and opportunities that improve outcomes for children, youth, and families. The LMB plans, coordinates, implements, and manages a local interagency service delivery system for children, youth and families.
- E. The LMB is responsible for participating in the development and the implementation of a strategic plan and the development and expansion of the local community-based service delivery system for children and their families.
- F. Other key roles and responsibilities of LMBs include:

1. Strengthening the decision-making capacity at the local level;
2. Designing and implementing strategies to achieve clearly defined results for families and children;
3. Maintaining standards of accountability for locally agreed upon results for children and families;
4. Influencing the allocation of resources across systems as necessary to accomplish the desired results;
5. Coordinating children and family services within the jurisdiction to eliminate fragmentation and duplication of services and to establish non-categorical services;
6. Creating an effective system of services, supports, and opportunities that improve outcomes for all children, youth, and families;
7. Operating based on locally agreed upon principles concerning service delivery and the community's commitment to its families and children;
8. Representing local residents, communities, and State and local government; and
9. Shifting the programmatic focus to prevention and early intervention strategies.

G. Administrative functions of LMBs may include, but are not limited to:

1. Community Engagement;
2. Development of community needs assessments;
3. Development, review and implementation of strategic plans;
4. Board development and associated activities;
5. Systems of Care staffing, including Local Access Mechanism and Navigation;
6. Local Coordinating Council staffing;
7. RFP/NOFA development, review and implementation;
8. Contract monitoring and evaluation; and
9. Grant writing and community resource development.

H. In addition to the requirements stated in Subsection 50 of this Section I of this Manual, each LMB shall also operate according to written practices, rules and/or protocols.

I. The LMB shall adopt its jurisdiction's policies and/or establish its own written policies and procedures for personnel, procurement, finance and accounting. If adopting its own policies, the LMB shall revise those policies as necessary to reflect changes in this Manual and other applicable federal, State, and/or local laws, regulations and policy.

J. The LMB shall make its policies and procedures accessible to its community partners.

K. Planning for Results

1. The LMB is responsible for designing and implementing strategies needed to achieve desired results.

2. For a complete discussion of this function, see Section II, Subsection 10 of this Manual (Planning for Results) which includes a discussion of the following.

- a.** Child Well-Being Results
- b.** Indicators
- c.** Community Needs Assessment
- d.** Strategic Plan
- e.** Community Engagement

L. Contracting for Results

1. The LMB is responsible for contracting with the State and various vendors to achieve desired results.

2. For a complete discussion of this function, see Section II, Subsection 20 of this Manual (Contracting for Results) which includes a discussion of the following:

- a.** Contracting with the Children's Cabinet
- b.** Contracting with Vendors
- c.** Procurement
- d.** Consultants

M. Program Requirements

1. The LMB shall ensure that programs and services funded through the Children's Cabinet Interagency Fund operate according to specified guidelines to achieve desired results.

2. For a complete discussion of this function, see Section II, Subsection 30 of this Manual (General Requirements) and Section III which includes a discussion of the following.

- a. Measuring Performance
 - b. Data Collection and Reporting
 - c. Individual Program Requirements
 - i. Local Coordinating Council
 - ii. Community Services Initiative
 - iii. Rehab Option
 - iv. Local Access Mechanism
 - v. Wraparound
 - vi. Youth Services Bureaus
3. If implementing an evidence-based program, the LMB shall ensure that the program maintains fidelity to the model.

N. Local Coordinating Council (LCC) Administrative Staff

- 1. Within budgetary limits, each LMB shall employ staff to provide administrative support for the LCC.
- 2. The core responsibilities of LCC administrative staff include, but are not limited to:
 - a. Staff support for the LCC:
 - i. Preparing notification letters, agendas, minutes for LCC meetings;
 - ii. Coordinating parental notification regarding the dates/times of reviews and information regarding the LCC, SCC, CSI, and the LCC appeal process;
 - iii. Scheduling follow-up reviews for all cases as required;
 - iv. Assisting with the development of and revisions to an LCC Policy and Procedure Manual;
 - v. Providing and/or coordinating any training needed by the LCC to fulfill the LCC functions;
 - vi. Assisting the LCC with development of appropriate plans of care and transition plans for all reviewed cases;
 - vii. Requesting that Lead Agencies submit to the LCC within 30 days and ensuring that Lead Agencies submit to the LCC within 10 business days of the placement/discharge, all admission and discharge dates and name, address, phone number, and a contact name for the placement facility;
 - viii. Initial and ongoing data entry into SCYFIS to ensure that SCYFIS data entry is current at all times; and
 - ix. Coordinating the annual renewal process for all LCC cases, including out-of-State placements.
 - b. Case Coordination:
 - i. Serving as primary contact for GOC on LCC cases;
 - ii. Coordinating the development and approval of the assessment, plan of

- care, and budget for cases receiving services funded through the Children's Cabinet Interagency Fund; and
- iii.** Assisting the LMB in monitoring vendors for program services purchased with Children's Cabinet Interagency Funds.

3. Performance Measures

- a.** GOC has developed standardized performance measures tables for the LCC Administrative Staff functions that indicate:
 - i.** Quantity of effort: How much did you do?
 - ii.** Quality of effort: How well did you do it?
 - iii.** Quality of effect: Is anyone better off? (Child and family results or outcomes.)
- b.** LMBs shall develop targets for each performance measure on the standardized performance measures table to be included in the Appendix A of the CPA each fiscal year.
- c.** As part of the required semi-annual and annual program report, the LMB shall provide an update on progress toward meeting the target goals of each performance measure as defined in the Appendix A of the CPA.

SECTION II – LMB CORE RESPONSIBILITIES

Subsection 10 – Planning for Results

A. Definitions

1. Result: A condition of well-being for children, adults, families or communities.
2. Indicator: A measure that helps quantify the achievement of a result.
3. Performance Measure: A measure of how well a program, agency, or service system is performing.

B. Using Results and Indicators

1. This section details how the results and indicators should be used by LMBs.
2. The basic steps to using Results Accountability include answering a series of questions about population accountability and performance accountability:
 - a. Population Accountability
 - i. What results are you trying to achieve?
 - ii. What does the data tell you? What are the indicators that tell you if you are making progress towards reaching the results you are trying to achieve? Is the indicator getting better or worse?
 - iii. What is the story behind the data and the direction it is heading?
 - iv. Who are the partners who have a role to play in doing better?
 - v. What strategies work to “turn the curve” and make things better?
 - vi. What is your action plan and budget?
 - b. Performance Accountability - For each program funded by the LMB, the following questions should be asked:
 - i. Who are your customers?
 - ii. How can you measure if your customers are better off?
 - iii. What are your current measures with regard to service delivery?
 - iv. What partners have a role to play in doing better?
 - v. What is the story behind the measures?
 - vi. What works to improve these measures?
 - vii. What is your action plan and timeline?

C. Maryland’s Indicators

1. In 1997, a Statewide workgroup reviewed data from various State Agencies and other sources to determine the primary indicators for measuring each of the child well-being results.
2. The workgroup selected the indicators that communicated well to a broad audience, said something significant about the result, and had available data that was reliable,

consistent and available on the jurisdictional as well as state level.

3. The selection of indicators is an on-going process at both the State and local levels. LMBs are free to choose local indicators in addition to State indicators.

D. Maryland's Eight Child Well-Being Results - In January of 1999, the State of Maryland adopted the following eight results with corresponding indicators to capture the quality of life for children and families in Maryland.

1. Babies Born Healthy

- a. Infant Mortality - The rate of deaths occurring to infants under 1 year of age per 1,000 live births.
- b. Low Birth Weight - The percent of babies born at low birth weight, weighing less than 2,500 grams (about 5.5 pounds) and very low birth weight, weighing less than 1,500 grams (about 3.3 pounds).
- c. Births to Adolescents - The rate of births to adolescents less than 20 years of age.

2. Healthy Children

- a. Immunizations - The percent of children fully immunized by age two (2).
- b. Injuries - The rate of child injuries that require hospitalization.
- c. Deaths - The rate of child fatalities among children one year of age and older.
- d. Substance Abuse - The percentage of public school students who report using alcohol, tobacco or other drugs.

3. Children Enter School Ready to Learn

- a. Kindergarten Assessment - The percent of kindergarten students who have reached one of three levels of readiness on the Work Sampling System Kindergarten Assessment: full readiness, approaching readiness or developing readiness.

4. Children Successful in School

- a. Absence From School - The percent of students in all grades who are absent more than twenty (20) days annually from school.
- b. Academic Performance - The percent of public school students in grades 3 to 8 performing at basic, proficient, or advanced levels in reading and mathematics. Students in grades 3 to 8 take the Maryland School Assessment (MSA) in reading. Students in grades 3 to 8 and those taking a high school-level geometry course take the MSA in math.

- c. Demonstrated Basic Skills - The percent of public school students in grades 9 through 12 performing at the passing level in four core subjects: algebra, biology, English, and government.
- 5. Children Completing School
 - a. Dropout Rate - The percent of students in grades 9 through 12 who drop out of school in a single year.
 - b. High School Completion Program - The percent of high school graduates who complete minimum course requirements needed for career and technology programs, or requirements needed to enter the University of Maryland, or who complete both.
 - c. High School Diploma - The percent of persons 25 years of age and over with a high school diploma or equivalent.
 - d. Graduation/School Completion of Children with Emotional Disturbance - The percent of children with emotional disturbances who graduate from or complete high school.
- 6. Children Safe in Their Families and Communities
 - a. Abuse or Neglect - The rate of child abuse or neglect investigations ruled as indicated or unsubstantiated.
 - b. Deaths Due to Injury - The rate of injury-related deaths to children.
 - c. Juvenile Violent Offense Arrests - The rate of arrests of youth ages 10-17 for violent offenses.
 - d. Juvenile Serious Non-Violent Offense Arrests - The rate of arrests of youth ages 10-17 for serious non-violent offenses.
 - e. Domestic Violence - The rate of victims receiving domestic violence services through community-based programs funded by the Department of Human Resources.
- 7. Stable & Economically Independent Families
 - a. Child Poverty - The percent of children under 18 whose families have incomes below the poverty level.
 - b. Single Parent Households - The percent of all households that are headed by a single parent.
 - c. Out-of-Home Placements - The rate of children placed in out-of-home care.

- d. Permanent Placements - The percent of children who leave foster care for a more permanent living status (return home, known as reunification; or adoption) within a specified period of time in foster care.
- e. Homeless Adults and Children - The rate of homeless adults and children per 100,000 Maryland residents served by programs funded by the Department of Human Resources and other shelter providers.

8. Communities That Support Family Life

- a. Indicators are developed by local jurisdictions.

E. Each LMB shall establish and maintain baseline data for each indicator listed under each result.

F. Community Needs Assessment

1. A needs assessment that gathers information from the community regarding current problems, community strengths, available programs, services and resources is crucial to the success of the LMB in coordinating services within the jurisdiction to eliminate fragmentation and duplication while fulfilling its mandate to create an effective system of services, supports, and opportunities that improve outcomes for children, youth and families.
2. As part of the strategic planning process, the LMB shall complete a community needs assessment every three (3) years (or sooner, depending on local conditions) prior to developing/updating the strategic plan.
3. The community needs assessment shall investigate all eight child well-being results and the indicators associated with these results.
 - a. For each indicator or baseline, the LMB shall include an historical part and a forecast part that show where the indicator is headed if nothing is done.
 - b. The LMB shall identify priority indicators from this community needs assessment and obtain information about the causes and forces that are affecting each indicator.
4. LMBs may use a variety of methods to accomplish this task. At minimum, the community needs assessment must include:
 - a. A review of data related to indicators;
 - b. A review of other relevant data;
 - c. Information from stakeholders and community partners; and
 - d. Community resource mapping, including:
 - i. Services within the full continuum of care from all child-serving

- public and private agencies;
 - ii. Identification of community strengths; and
 - iii. Identification of gaps in addressing results and indicators through a continuum of care.
5. The information obtained from the community needs assessment shall be used by the LMB to identify which results and indicators to prioritize, and the causes and forces at work affecting the prioritized indicators. It is useful also to identify community strengths, resources, and assets that will help to address each of the prioritized results and indicators.

G. Strategic Plan

1. Each LMB is required to develop a strategic plan every three years (or sooner, depending on local conditions).
2. This plan should follow the Results Accountability format below:
 - a. Identifying Results - Each LMB shall identify the three (3) to four (4) priority results that are most important to the jurisdiction.
 - b. Identifying Indicators - For each priority result, the LMB shall identify one (1) to five (5) primary indicators that it will use to measure achievement of the results.
 - c. Story Behind the Indicator - For each indicator, the LMB shall identify the indicators that are headed in the wrong direction and an analysis of the causes and forces behind that movement.
 - d. Identify Partners - An ongoing process for each LMB is to identify partners and ensure that the partners are utilized to their fullest capacity. The partners include the members of the LMB, children and families who are being served, community members and others. The members of the LMB are the on-going partners; however, the input of other partners should be solicited. These partners may be different for each result.
 - e. Identifying What Works to “Turn the Curve” - Through research that identifies evidence-based practice, best practices and promising practices, and through the knowledge of the LMB members and other partners, the LMB shall identify strategies that have the potential to improve the primary indicators.
 - f. Prioritizing Strategies - Each strategy, program and practice that is identified as working to “turn the curve” shall be further prioritized by looking at its:
 - i. Specificity - Is the strategy specific enough to be implementable?
 - ii. Leverage - Does the strategy have a high degree of leverage to “turn the curve”?

- iii. Values - Does the strategy meet the LMB's organizational and the community's values?
 - iv. Reach - Is it practical for the LMB to implement this strategy? Is the strategy sustainable over a long period of time? Is it feasible and affordable?
- g. Identifying Funding - As part of the strategic plan, the LMB shall identify funding sources for each of the prioritized strategies.

H. Community Engagement

1. Community engagement is the LMB's effort to:
 - a. Increase the number of stakeholders, program consumers, family members, and agency and other partners who are committed to take actions that will identify, promote, and support the needs of children, youth, and families in the State; and
 - b. Direct the jurisdiction to support an interagency approach to better the lives of children and families.
2. Community engagement activities include, but are not limited to:
 - a. Roundtable Events;
 - b. Awards and Other Recognition;
 - c. Sponsorships; and
 - d. Training.

I. Integrated Systems of Care (SOC)

1. Maryland's Children's Cabinet believes that a priority strategy for addressing a fragmented service delivery system is through an integrated SOC.
2. In a SOC, all service delivery systems (mental health, child welfare, juvenile justice, education, substance abuse, housing, etc) are connected in order to create a seamless service delivery system for Maryland's children, youth and families.
3. SOC's are family and local community-driven service systems that:
 - a. Improve access to services;
 - b. Provide engaging and effective service in a coordinated delivery system; and,
 - c. Increase options and system resources in service delivery.
4. SOC's must be non-categorical and focused on populations of children and families

across service systems. It requires a team approach on every level: state, local and community.

5. Population

- a.** Approximately 2-5% of children have serious emotional disturbances (SED) and need the most intense interventions. Within this 2-5% may be other children not diagnosed with SED but with other intensive needs.
- b.** Approximately 15-20% of children have significant needs that, untreated, may rise to the level of the children with SED.
- c.** Approximately 80% of children with less complex needs can be addressed at the universal health promotion level.

6. Guiding Principles

- a.** A SOC is *not* a practice model; rather, it is a philosophy or overarching structure that guides the interventions provided to children and their families.
- b.** A SOC is different from a continuum of care.

7. Core Values of SOC

- a.** The SOC should be child-centered and family-focused, with the needs of the child and family dictating the types and mix of services provided.
 - i.** Families must be involved throughout the SOC, and family involvement within the SOC must be deliberate, although the shape that it takes may vary by community.
 - ii.** Families can be educators, advocates, and policy-makers. In some communities, family organizations play a significant role in shaping policy, as well as advocating for and supporting families.
 - iii.** At the management level, families may identify other families to participate in workgroups, conduct family surveys and interviews, and provide information and referral services to other families.
 - iv.** At the service delivery level, families are involved in every stage of the development of their child's plan, as well as participating in family support groups and providing forms of advocacy and mentoring.
- b.** The SOC should be community-based, with the locus of services as well as management and decision-making responsibility resting at the community level.
 - i.** The Children's Cabinet believes that children belong in the most

- appropriate, least restrictive setting possible, and in their own homes and communities when safely possible.
- ii. The Children's Cabinet also believes that most children, even those with conduct disorder, oppositional defiant disorder, and SED, can thrive in a family setting, with proper supports.
- iii. For this to be able to occur, there must be an SOC in place to support children and families at all points in the continuum of need.
- c. The SOC should be culturally competent, with agencies, programs, and services that are responsive to the cultural, racial, and ethnic differences of the populations they serve.
- d. The three core values of SOC (child-centered and family-focused, community-based, and culturally competent) ensure that services are:
 - i. Integrated with linkages between child-serving agencies and programs;
 - ii. Individualized (responsive to the child's needs, strengths, and environment);
 - iii. Provided in the least restrictive, most appropriate setting;
 - iv. Comprehensive, incorporating a broad array of services and supports;
 - v. Inclusive of families and youth as full partners;
 - vi. Focused on early identification and intervention; and,
 - vii. Driven at the local level with coordination at the State level.

8. Child and Adolescent Needs and Strengths (CANS) Tool

- a. Function and Purpose of the CANS:
 - i. According to the Buddin Praed Foundation (www.buddinpraed.org), the developer of the CANS, "the CANS is designed for use at two levels-for the individual child and family and for the system of care. The CANS provides a structured assessment of children along a set of dimensions relevant to service planning and decision-making. Also, the CANS provides information regarding the child and family's service needs for use during system planning and/or quality assurance monitoring."
 - ii. The primary function of CANS as suggested for use in Maryland's systems of care is to provide information that will be helpful in care planning and to provide information for outcome measurement and quality assurance within the System of Care. *It is not intended as a tool to determine level of care or to prescribe treatment.*
- b. Use of CANS
 - i. The Children's Cabinet has adopted the use of the CANS Comprehensive Tool for all care management entities/units utilizing high-fidelity wraparound as funded through the Children's Cabinet Interagency Fund.
 - ii. Effective July 1, 2009, the Children's Cabinet has adopted the use of

the CANS Comprehensive Tool for new cases served by the RTC Waiver, CSI and Rehab Option programs.

- iii. Care Management Entities (CMEs) are required to adopt the use of the CANS Comprehensive Tool for programs and services funded through the Children's Cabinet Interagency Fund.
 - iv. The use of CANS is recommended for other programs implemented by LMBs, as applicable, especially for systems/family navigators if the navigation model includes the development of a plan of care with the youth and family.
 - a) If the adopted model of navigation lends itself to the utilization of an assessment, the assessment to be used must be CANS.
 - b) An abbreviated version of the CANS (in place of the CANS comprehensive) may be implemented for navigation only.
 - i) In this instance, data cannot be maintained in SCYFIS as only the CANS comprehensive is available in SCYFIS.
 - v. Where the use of CANS is required as stated above, the electronic version available in SCYFIS shall be utilized.
 - a) This is an additional requirement for sites implementing high-fidelity wraparound as funded through the Children's Cabinet Interagency Fund.
- c. Administration of the CANS
- i. Only those individuals who have been certified by John Lyons, Ph.D. or by the University of Maryland School of Medicine, Division of Child and Adolescent Psychiatry Innovations Institute may administer the CANS.
 - ii. CANS training and certification is available online at <http://www.cans.umaryland.edu>.
 - iii. CANS administrators must have a current certification on file with the LMB that is made available to the State upon request.
 - iv. It is the responsibility of the LMB to ensure that all CANS administrators have current certification.
 - v. The CANS shall be initially administered within the first 30 days of service implementation and every three months after implementation of the plan of care and at discharge.
- d. Performance Measures
- i. For those LMBs receiving Children's Cabinet funding for SOC initiatives, the CANS is incorporated into the performance measures for outcome measurement.
 - ii. Systems/family navigators who utilize the CANS should include the following performance measure in the Appendix A of the CPA (in the *How well did we do it?* section): *Number of completed CANS assessments used in developing a Family Plan.*

- iii. The performance measures tables for the Community Services Initiative, Rehab Option, and Wraparound programs shall include “Better Off” measures that consider the percentage of families served who experience an increase in family functioning as measured by CANS administration every three months after implementation of the plan of care and at discharge.

Subsection 20 – Contracting for Results

A. Contracting with the Children’s Cabinet

1. Community Partnership Agreement

- a. The Community Partnership Agreement (CPA) is the contract executed between the Children’s Cabinet and each LMB that is individualized to the needs of the jurisdiction and details the roles and responsibilities of each party including the services to be provided to the community and the funds awarded to the LMB.
- b. The CPA is composed of the following sections:
 - i. Standard Provisions – Including the scope of the agreement and standard legal clauses such as term, termination and general provisions and conditions of agreement;
 - ii. Appendix A – The LMB results section that details the specific child well-being results and indicators that the LMB will work to address;
 - iii. Appendix B – The annual budget for Children’s Cabinet Interagency funds awarded to the LMB; and
 - iv. Appendix C – The multi-year budget.
- c. A new CPA in its entirety, or new Appendices, as appropriate, must be executed at the end of each term for the subsequent term. CPAs should be fully executed by June 30 of each year. First quarter funds shall be withheld until CPAs or Appendices, as applicable, are completed, approved and signed by all parties.
- d. The CPA contract period shall be the State’s fiscal year (July 1 through June 30) unless otherwise stated in the CPA. In the case of a multi-year CPA, budgets and performance measures must be approved annually and are subject to annual appropriations.
- e. Preparation of the CPA
 - i. GOC shall issue instructions on the preparation of the CPA, including the requirements for the Appendix A and Appendix B.
 - ii. Preparation of the Appendix A shall include the development of performance measures tables for each funded program/strategy that indicate:

- a) Quantity of effort: How much did you do?
 - b) Quality of effort: How well did you do it?
 - c) Quality of effect: Is anyone better off? (Child and family results or outcomes)
 - iii. LMBs shall utilize standardized performance measures tables as developed by GOC for applicable programs. In the absence of a standardized table, the LMB shall develop a table and request GOC approval for the table in advance of its implementation.
 - iv. LMBs shall develop targets for each performance measure on the performance measures table(s) to be included in the Appendix A of the CPA each fiscal year.
- f. Modification of the CPA
- i. To request a change or modification to the CPA, the LMB shall mail a written request signed by the LMB Director and Board Chair to the attention of the Executive Director of GOC who will review and approve or deny the request on behalf of the Children's Cabinet.
 - ii. Requests for modifications must be postmarked by May 15.
 - iii. Modifications to Appendix A require a short narrative explaining the need for the proposed change and new Performance Measures Tables (as applicable). Changes to fiscal year targets in program performance measures tables will not be approved. Instead, the LMB shall address performance as necessary in the "Story Behind" section of the semi-annual and annual reports.
 - iv. Modifications to Appendix B require a short narrative explaining the need for the proposed change in addition to the revised form. GOC will respond to the LMB within 30 days of receipt of the request. GOC's response may be delayed if additional information from the LMB is required.
 - v. Approved changes and modifications to the CPA must be signed by both the authorized representatives of the LMB and the Executive Director of GOC.
 - vi. The modification must be requested and GOC approval obtained prior to the LMB making any changes related to the modification.
- g. No-Cost Extension/Carry-Forward/Carry-Over
- i. The LMB may request a no-cost extension, a carry-over or carry-forward for a CPA program by mailing a written request signed by the LMB Director and Board Chair to the attention of the Executive Director of GOC who will review and approve or deny the request on behalf of the Children's Cabinet.
 - ii. Requests must be postmarked by May 15 for CPA funding expiring at the close of the fiscal year.
 - iii. No-cost extension requests require a short narrative explaining why the project could not be completed as planned and a revised timeline for

program completion. Revised performance measures tables may be required, as applicable.

- iv.** Additional information may be required if the LMB requests to modify the scope of the original project or budget.
- v.** GOC will respond to the LMB within thirty (30) days of receipt of the request. GOC's response may be delayed if additional information from the LMB is required.
- vi.** No-cost extensions must be requested and GOC approval obtained prior to the LMB making any changes.
- vii.** Projects funded with carry-forward and carry-over funds are subject to the same conditions as noted in Section IV, Subsection 60, C and D of this Manual.

h. Reporting

- i.** Reports for individual programs are required as outlined in Section III of this Manual.
- ii.** A semi-annual and annual report on the CPA in the approved format shall be submitted to GOC. The semi-annual report is due the third (3rd) Friday of February and the annual report is due the third (3rd) Friday of September.
 - a)** As part of the required semi-annual and annual program report, the LMB shall provide an update on progress toward meeting the target goals of each performance measure as defined in the Appendix A of the CPA.
- iii.** Quarterly fiscal reports are due the third (3rd) Friday of the month following the close of the first, second and third quarters of the fiscal year.
- iv.** The year-end fiscal report is due the third (3rd) Friday of September following the close of the fiscal year.
- v.** GOC may require additional reports not referenced herein.
- vi.** A report may be rejected by GOC and returned to the LMB for a technical insufficiency that cannot or should not be corrected by GOC. GOC may require an LMB to amend/correct such a report or others as necessary.
- vii.** When submitting reports, a facsimile form generated by the LMB may be acceptable in lieu of any required GOC form; however, GOC's prior approval of the format is required. If approval is not received, the LMB assumes the risk for the report's rejection.
- viii.** GOC may issue instructions on the protocol for the completion of reports.

i. Payments

- i.** Payments to LMBs are generally made four times per year according to the following schedule:
 - a)** The first payment will be for four twelfths (4/12) of the

Children's Cabinet current award and will be released as soon after the first of July as possible.

- b) The second payment will be for three twelfths (3/12) of the current award and will be released after the required reports for the first quarter are received.
 - c) The third payment will be for three twelfths (3/12) of the current award and will be released after the required reports for the second quarter are received.
 - d) The fourth and final payment will be for the balance of the current award and will be released after the required reports for the third quarter are received.
- Payments to LMBs will be made only after all required reports are received and accepted by GOC. If a report is not received when due, payments scheduled to follow the due date of the report will be withheld until the LMB is in compliance with all reporting requirements.
- Funding will be transferred from the State without a signed CPA.

2. Grant Agreements

- a. A Grant Agreement is a contract executed between the Children’s Cabinet and the LMB for a specific project or the provision of a defined service.
 - b. GOC may execute a grant agreement with an LMB as necessary and appropriate.
 - c. Modification
 - i To request a change or modification to the Grant Agreement, the LMB shall mail a written request signed by the LMB Director and Board Chair to the attention of the Executive Director of GOC who will review and approve or deny the request on behalf of the Children’s Cabinet.
 - ii Requests for modifications must be postmarked 45 days prior to the expiration of the Grant Agreement.
 - iii Modification requests require a short narrative explaining the need for the proposed change and new Performance Measures Tables (as applicable). Changes to fiscal year targets in program performance measures tables will not be approved. Instead, the LMB shall address performance as necessary in the “Story Behind” section of applicable reports.
 - iv Modification requests may also require a revised budget and corresponding budget narrative, as applicable
 - v GOC will respond to the LMB within 30 days of receipt of the request. GOC’s response may be delayed if additional information from the LMB is required.

- vi The modification must be requested and GOC approval obtained prior to the LMB making any changes related to the modification.
- d. No-Cost Extension/Carry-Forward/Carry-Over
- i. The LMB may request a no-cost extension, a carry-over or carry-forward for a Grant Agreement by mailing a written request signed by the LMB Director and Board Chair to the attention of the Executive Director of GOC who will review and approve or deny the request on behalf of the Children's Cabinet.
 - ii. Requests must be postmarked 45 days prior to the expiration of the Grant Award.
 - iii. No-cost extension requests require a short narrative explaining why the project could not be completed as planned and a revised timeline for program completion. Revised performance measures tables may be required, as applicable.
 - iv. Additional information may be required if the LMB requests to modify the scope of the original project or budget.
 - v. GOC will respond to the LMB within thirty (30) days of receipt of the request. GOC's response may be delayed if additional information from the LMB is required.
 - vi. No-cost extensions must be requested and GOC approval obtained prior to the LMB making any changes.
 - vii. Projects funded with carry-forward and carry-over funds are subject to the same conditions as noted in Section IV, Subsection 60, C and D of this Manual.
 - viii. Approved changes and modifications to Grant Agreements must be signed by both the authorized representatives of the LMB and the Executive Director of GOC.
 - viii. The modification must be requested and GOC approval obtained prior to the LMB making any changes related to the modification.
- e. Reporting
- i. Reporting requirements for Grant Agreements are indicated in the terms of the Grant Agreement.
 - ii. GOC may require additional reports not referenced herein or in the terms of the Grant Agreement.
 - iii. A report may be rejected by GOC and returned to the LMB for a technical insufficiency that cannot or should not be corrected by GOC. GOC may require an LMB to amend/correct such a report or others as necessary.
 - iv. When submitting reports, a facsimile form generated by the LMB may be acceptable in lieu of any required GOC form; however, GOC's prior approval of the format is required. If approval is not received, the LMB assumes the risk for the report's rejection.

- v. GOC may issue instructions on the protocol for the completion of reports.
- f. Payments
 - i. Payments to LMBs for Grant Agreements are made in accordance with the terms of the Grant Agreement.
 - ii. Payments to LMBs will be made only after all required reports are received and accepted by GOC. If a report is not received when due, payments scheduled to follow the due date of the report will be withheld until the LMB is in compliance with all reporting requirements.
 - iii. No funding will be transferred from the State without a signed Grant Agreement.

B. Contracting with Vendors

1. Subject to procurement requirements, the LMB is responsible for the negotiation and execution of contracts for the provision of all programs and services funded through the Children's Cabinet Interagency Fund with the exception of administrative services (including, but not limited to, pest control, bottled water, office cleaning, etc.).
2. In the event that a contract cannot be executed prior to the commencement of services, and in accordance with its applicable policies and procedures, the LMB shall issue a letter of commitment to the vendor outlining the scope of services and the maximum funds available based on the specified terms.
3. The LMB shall incorporate the applicable sections of the State of Maryland Policies and Procedures Manual for Local Management Boards into its contracts. In the case of conflicts between program-specific guidelines in Section III and other sections of the Manual, the conditions set forth in the applicable subsection of Section III of this Manual govern.
4. Contracts must be formalized in writing and set forth the specific terms (*e.g.*, hourly rate, *per diem*, per visit rate, etc.) that are generally accepted standards within the field.
5. Contracts must specify the maximum funds available based on the specified terms. The terms specified must be measurable and sufficiently documented to enable verification by a qualified auditor.
6. The LMB shall ensure that Children's Cabinet Interagency Funds are not used for services that could be provided by another organization or State agency. Children's Cabinet Interagency Funds are the funding source of last resort.
7. LMB contracts with vendors must provide the LMB and State agencies access to all information, including client records, consistent with State and federal laws.

8. In addition to other applicable requirements stated herein, contracts with vendors shall include the following provisions:
 - a. Service Records
 - i. Upon completion of services, service records must either be retained by the LMB or returned to and retained by the lead agency that referred the child to the LMB, as applicable.
 - ii. Service records must be retained for five years after the child turns 21 years old.
 - iii. Service records, except as noted in Section iv below, in any form generated or arising from the use of State funds provided under a contract or CPA covered by this Manual are the sole and exclusive property of the State.
 - iv. Case files for Youth Services Bureaus programs are the property of the Youth Services Bureaus; however access must be provided as required in Section II, Subsection 20, B.7 of this Manual.
 - b. HIPAA
 - i. Appropriate human services contracts shall contain provisions for compliance with federal HIPAA and State confidentiality laws.
 - ii. See Section V, Appendix 1 of this Manual for sample language.
 - c. Reports, Data, Studies, or Other Materials
 - i. Any reports, data, studies, or other materials in any form, generated or arising from the use of State funds provided under a CPA covered by this Manual shall be the sole and exclusive property of the State.
 - ii. The LMB is granted a non-exclusive license, without cost or fee, to use such materials. The LMB shall not assign or transfer its license.
 - iii. With regard to materials generated by an LMB's vendor or grantee, the LMB shall ensure that the State's ownership interests are disclosed and not impaired by the terms and conditions of such grants and contracts.
 - d. Separate Schedule - All LMB contracts should require a vendor who is providing services to more than one LMB to provide a separate schedule of Children's Cabinet revenue and expenses.

C. Procurement

1. In accordance with Section I, Subsection 50 of this Manual, the LMB shall adhere to its adopted procurement policy as applicable.
2. An LMB that is an instrumentality of local government shall comply with local government procurement laws and regulations. If the local government does not have written procurement laws and regulations, the LMB shall establish a procurement policy and procedures in accordance with Section I, Subsection 50 E of this Manual and submit the proposed procurement policy and procedures to GOC for approval.

3. An independently incorporated LMB shall establish a procurement policy and procedures in accordance with Section I, Subsection 50 E of this Manual and submit the proposed procurement policy and procedures to GOC for approval. The applicable sections of State procurement laws will apply until an LMB establishes procurement policies and procedures and/or regulations that are approved by GOC. (See Maryland Annotated Code, State Finance and Procurement Article, Title 13, §13-101 *et seq.* and COMAR 21.03.01 through 21.05.09 for applicable procurement policies and procedures, if needed.)
4. If the LMB has adopted its own procurement policy and procedures, revisions to approved procurement policies and procedures must also be submitted to GOC for approval prior to implementation or adoption of any revision.
5. For GOC review and approval of proposed new and revised procurement policies and procedures, the LMB shall mail a written request signed by the LMB Director and Board Chair to the attention of the Executive Director of GOC who will review and approve or deny proposed policy and procedures on behalf of the Children's Cabinet. GOC approval must be obtained prior to the LMB's implementation of new or revised procurement policies and procedures.

D. Consultants

1. The LMB is responsible for appropriately designating the employment status of an individual/consultant. Claims and penalties resulting from the improper designation of an employee as an independent contractor or consultant are the responsibility of the LMB.
2. Officers, employees, and members of the Board of Directors of the LMB/ vendors/subcontractor(s)/subgrantee(s) cannot be paid consultants to that organization, its member agencies, or its contractors and grantees.
3. The use of consultants is subject to compliance with all applicable Manual requirements, including, but not limited to requirements for fiscal management, individual program requirements, etc.

Subsection 30 – General Requirements

A. Measuring Performance

1. The LMB shall monitor all vendors and consultants for compliance with requirements as set forth in this Manual, the LMB's contracts and grants and the terms of its CPA.
2. The LMB shall develop a written monitoring plan that will address the process by which the LMB will fulfill its monitoring responsibilities. This may involve, but is not limited to, development of a specific tool, instrument, or questionnaire.

3. The LMB shall monitor program performance of all funded programs and services in accordance with the monitoring plan.
4. Except for Youth Services Bureaus and others as legislatively mandated, the LMB shall participate in decision-making for the expenditure of all funds received from the Children's Cabinet in collaboration with the appropriate State agency and/or local entity.
5. The LMB is responsible for evaluating all programs and services it funds, including, but not limited to:
 - a. Focusing on an assessment of performance measures that have been identified;
 - b. Ensuring that services are selected that will make a difference in performance measures and customer results;
 - c. Developing and maintaining a quality improvement process to increase the quality of services;
 - d. Developing an ongoing self-assessment process to track achievements; and
 - e. Measuring outcomes and compliance with standards of quality.

B. Data Collection and Reporting

1. LMBs are required to collect and report on consistent characteristics of children and families served, the services delivered, and the results of those services.
2. Each LMB may opt to collect several kinds of data to suit its needs.
3. In order to facilitate consistent data collection and reporting, the State requires LMBs to submit computerized service data in a specified format.
4. Data should be utilized to demonstrate not only the achievement of desired outcomes, but also to improve the quality of services provided.
5. **SCYFIS**
 - a. The State Children, Youth and Families Information System (SCYFIS) is a web-based information system that is used to document required data for the Community Services Initiative and Rehab Option programs, the LCC/SCC process, and other initiatives as directed by the Children's Cabinet.
 - b. SCYFIS also includes a Resource Directory of residential and non-residential service providers.
 - c. GOC maintains, manages, and administers SCYFIS.

- d.** The technical requirements for the use of SCYFIS are as follows:
 - i.** Microsoft Internet Explorer version 5.5 or later installed (not Netscape) on a computer (PC or Mac) that connects to the Internet. For Mac, version 5.0 or later is required.
 - ii.** Internet connectivity may be a PC/Mac modem connection or any faster Internet connection.
 - iii.** JavaScript and Cookies must be enabled.
 - iv.** Internet Explorer security settings should be set to medium; otherwise, the SCYFIS website will need to be added to the list of Trusted Sites with lower security settings.
- e.** User Access – The LMB must ensure that the SCYFIS user accounts as authorized for the jurisdiction are valid. For example, a user who is able to access SCYFIS client information should be an LMB, an LCC member agency, or service provider employee authorized to access client information.
- f.** GOC will issue a new user account when:
 - i.** The LMB verifies that the user is employed by the LMB, an LCC member agency, or by a service provider that has a contract with the LMB to provide Interagency Family Preservation (IFP), CSI, Rehab Option or Wraparound services;
 - ii.** The LMB requests a user account from the State using a SCYFIS confidentiality agreement and user information form that is completed and signed by the new user. The LMB (authorizing agent) signs the appropriate section of the form authorizing access; then submits the original form to GOC. A request for access will not be accepted verbally. A signed fax request may be accepted in advance of the hard copy to be mailed to GOC.
- g.** User Responsibilities:
 - i.** A user shall not disclose or share a user login ID and/or password with other users or non-users except as required for system maintenance purposes or for purposes of promptly changing a password as appropriate.
 - ii.** A user shall not seek personal benefit or permit others to benefit by disclosing or otherwise using confidential data or information that has come to him/her by virtue of the work assignment.
 - iii.** A user shall not attempt to access data or programs on enterprise systems for which the user does not have authorization or the explicit consent of the owner of the data.
 - iv.** A user shall not reproduce, edit, revise, or otherwise alter data and information except as required for legitimate reporting purposes.
 - v.** A user shall not transfer confidential data and information among jurisdiction/agency staff unless required for fulfilling assigned duties

and responsibilities.

h. Requesting Agency Responsibilities:

- i.** The authorizing agent must ensure that only authorized users have access to SCYFIS files and records for appropriate business purposes as defined by the user's position description.
- ii.** The authorizing agent must ensure that official files, reports, and data accurately reflect operations and transactions.
- iii.** The authorizing agent must notify GOC of any change in a user's job function or employment that would require changes to be made to the user's access at least five (5) business days before such a status change. The authorizing agent shall specify the access to be added or revoked as appropriate for job changes.
- iv.** The authorizing agent for any terminated (voluntary/involuntary) user(s) shall transfer or make arrangements to transfer case files to the new user(s) as appropriate.
- v.** The authorizing agent must request account and password deactivation within one (1) business day for individuals with a change in status or for those who no longer require access to SCYFIS.
- vi.** The authorizing agent must ensure that staff persons are adequately trained in basic Windows/Mac OS/Internet usage and navigation skills and that all users have had appropriate training in applicable software packages.

i. GOC will update a user's access only if the user is able to clearly identify himself/herself (full name, agency affiliation, e-mail address on file and the authorizing agent) in writing. Users unable to provide such information should request an account update via their authorizing agent.

j. GOC will deactivate a user account, rendering SCYFIS inaccessible to the user, upon:

- i.** A request from a user in anticipation of leaving the employment of the LMB, the LCC member agency, or the LMB-contracted service provider;
- ii.** A request from an LMB that a user's account should be deactivated - either in anticipation of personnel action or at the time of the user's termination of employment;
- iii.** Non-compliance with system usage guidelines that constitute a violation of security policy; and/or
- iv.** Non-communication from the LMB/authorizing agent that user access is still valid.

k. User Access Verification Reporting

- i.** On a quarterly basis, GOC will issue a listing of current SCYFIS users to the LMB for verification that each user is in good standing with the

LMB, the LCC member agency, and/or the LMB-contracted service provider.

- ii. The LMB will be responsible for verifying and reporting the active/inactive status and role of each user within one (1) week of the request for verification.
 - iii. Failure to respond may result in deactivation of the users listed.
- l. SCYFIS data entry is mandatory as applicable for the programs listed in Section III. SCYFIS information must always be current.
- m. Help
- i. Users can create a trouble ticket using the “contact us” link within SCYFIS or can send an email to itsupport@goc.state.md.us for assistance.
 - ii. The child should be identified by the SCYFIS case number instead of by name or other unique identifying information about the child.

Subsection 40 – GOC Monitoring

A. The purpose of monitoring is to determine LMB compliance with:

- 1. The requirements of the Community Partnership Agreement (CPA);
- 2. The State of Maryland Policies and Procedures Manual for Local Management Boards;
- 3. Federal, State and local laws, regulations and policies; and,
- 4. The implementation of a remediation plan submitted to GOC as a result of a previous monitoring visit.

B. Schedule

- 1. GOC will monitor LMBs on a periodic basis as directed by the Children’s Cabinet.
- 2. The monitoring schedule for the fiscal year will be released to LMBs prior to the start of the fiscal year.
- 3. The following jurisdictions are currently monitored annually: Anne Arundel County, Baltimore City, Baltimore County, Montgomery County, Prince George’s County.
- 4. The remaining jurisdictions are monitored every other year.
- 5. The frequency of monitoring and schedule of site visits is subject to change as directed by the Children’s Cabinet.

C. Access

1. The LMB shall make available to the monitors all data, records, and any other documents necessary and requested by the monitoring team.
2. The LMB shall ensure the monitoring team's access to all vendor data and records.

D. Site Visit

1. In accordance with the published monitoring schedule, approximately four (4) weeks prior to the monitoring visit, GOC will forward to the LMB Director a list of required documents to be made available during the site visit.
2. See Appendix 2 and Appendix 3 of this Manual for sample lists of materials to be reviewed during the site visit.
3. A pre-monitoring meeting is offered to the LMB Director prior to the monitoring visit to discuss the nature and scope of the monitoring site visit.
4. During the site visit, the monitoring team will review LMB files, case records, fiscal documents, policies and procedures, monitoring tools and documentation and other materials as needed to ascertain compliance with the requirements as noted in paragraph A.1, above.
5. Areas to be reviewed by the monitoring team include, but are not limited to:
 - a. Community Needs Assessment;
 - b. Data Collection;
 - c. Resource Database;
 - d. Strategic Plan;
 - e. Programs funded through the Community Partnership Agreement;
 - f. Programs funded through Earned Reinvestment and Incentive Funds;
 - g. Other programs/initiatives funded by the Children's Cabinet; and
 - h. Program Monitoring and Evaluation.
6. The monitoring team will review revenue and expenditures to ensure standards, policies, and procedures are consistent with the approved budget and supported by adequate documentation in accordance with Generally Accepted Accounting Principles (GAAP) or Generally Accepted Government Accounting Principles (GAGAP), the Community Partnership Agreement and this Manual.

7. At the conclusion of the site visit, GOC monitors will give the LMB an informal debriefing of preliminary findings and discuss the timeline for issuance of the monitoring report, the rebuttal process, the required remediation plan, technical assistance available and the schedule for follow-up visits, if needed.
 8. **Quality Improvement Plan (QIP)**
 - a. Approximately four (4) weeks from the conclusion of the monitoring visit, the monitoring team will issue a Summary of Findings with a Quality Improvement Plan (QIP).
 - b. The LMB will have the option to schedule a formal debriefing meeting to discuss the Summary of Findings and QIP.
 9. If no errors or discrepancies are noted by the LMB, the Summary of Findings and QIP will be deemed the final report.
 - a. The LMB will complete the QIP as its remediation plan, outlining actions to rectify findings and/or implement recommendations as noted in the report.
 - b. The QIP shall include the action to be taken, the timeline for implementation, and the person responsible for implementation.
 - c. The QIP shall be signed by the LMB Board Chair and LMB Director and returned to GOC.
 - d. The QIP and supporting documentation shall be submitted to GOC by the due date.
 10. If errors or discrepancies are noted in the Summary of Findings or QIP and the monitoring team and the LMB are unable to come to a resolution, the LMB shall have two (2) weeks to provide a written response.
 - a. The written response shall include any additional documentation in support of the LMB's position.
 - b. The written response shall be submitted to the Chief of Grant and Contract Administration at GOC for review and resolution.
 11. Once submitted, the QIP will be reviewed by GOC staff.
 12. Once the QIP is approved, the LMB will receive notification of such and can begin implementation of the plan.
- E. Mid-Cycle Monitoring Site Visit** – A mid-cycle monitoring site visit to review the implementation of the remediation plan will be conducted by the monitoring team with LMBs that are monitored biennially.

F. Fiscal Recovery

1. If recoverable funds are identified in the final monitoring report, the GOC will issue a request for payment of funds due, and shall provide the LMB with thirty (30) days to either make payment or file an appeal to the Children's Cabinet.
2. In an appeal, the LMB should clearly state the basis for, and include documentation in support of, its position. The Children's Cabinet shall set a date to review the request and adopt a schedule for resolution of the matter within sixty (60) days of receipt of the request.
3. The decision of the Children's Cabinet is final and is not subject to further appeal.

SECTION III – INDIVIDUAL PROGRAM REQUIREMENTS

Subsection 10 – Local Coordinating Council

- A.** As required by Maryland Annotate Code, Human Services Article, Title 8, Subtitle 4, there is a Local Coordinating Council (LCC) in each Maryland jurisdiction that coordinates services for children in need of residential placement and children with intensive needs.
- B.** LCC regulations and definitions can be found in COMAR 14.31.01.
- C.** The LCC is part of the LMB for administrative and budgetary purposes, but is independent from the LMB in its decisions regarding individual plans of care for children and policy recommendations.
- D. Maintenance of LCC Records**
 - 1.** Each LMB, as staff to the LCC, must maintain records for all cases reviewed by the LCC.
 - 2.** LCCs are required to maintain both a hard-copy file as well as a client record in SCYFIS for each child reviewed by the LCC.
 - 3.** At a minimum, hard-copy client records must include:
 - a.** Minutes from each LCC review;
 - b.** Consents to release information, as appropriate;
 - c.** Documentation of parental involvement (letters inviting parents to the LCC and/or signed waivers of the ten (10) day notice requirement, letters to parents with copy of the minutes, other correspondence with parents);
 - d.** Clinical recommendation for placement/level of care;
 - e.** Court orders, if applicable;
 - f.** CSI documentation, if applicable:
 - i.** Clinical recommendation;
 - ii.** Assessment;
 - iii.** CSI vendor; and
 - g.** Other documentation, as appropriate.
 - 4.** Minutes from each case review must be approved by the LCC at the following meeting. Case review minutes must be the form developed by the SCC, and all sections must be completed.

5. Minutes from each LCC meeting must also be maintained.
 - a. At minimum, these minutes must include:
 - i. Attendance record;
 - ii. List of cases heard (information regarding clinical information and the LCC's recommendation does not need to be contained here, as it is contained in the child's record); and
 - iii. Any LCC business, including documentation that previous minutes were approved by the LCC.
6. All LCC records must be retained for five (5) years after the child turns 21 years old.

E. SCYFIS Requirements

1. SCYFIS shall be used to document all cases reviewed by the LCC, including the submission of applications for CSI, and Rehab Option funding, documentation of LCC and LMB approval of plans of care, and SCC approval for out-of-State placements.
2. LCC administrative staff are required to enter into SCYFIS all information for each child reviewed by the LCC, regardless of the child's actual placement.
3. LCC minutes for each LCC review must be entered into the child's SCYFIS record.
4. LCC administrative staff are responsible for entering placement information and dates of admission/discharge (and all other updates) within five (5) business days of notification.
5. Errors in SCYFIS data entry shall be immediately corrected by LMB staff.
6. Technical problems shall be immediately reported to GOC Information Technology staff via SCYFIS.
7. Training by GOC for new LMB and vendor staff is available upon request and as regularly scheduled.

Subsection 20 – Community Services Initiative

- A. The Community Services Initiative (CSI) program provides funding to divert or return children from in-State residential placements and out-of-State (OOS) placements.
- B. Authority - COMAR 14.31.01.10.

C. Program Model

1. The CSI program is community-based, culturally competent, centered on the strengths of the child and family, and includes the delivery of coordinated, individualized

services to a child.

2. Key Elements of the Program:

- a. An interdisciplinary services team:**
 - i.** The parent and/or surrogate parent;
 - ii.** A lead teacher and/or vocational counselor;
 - iii.** The appropriate therapist or counselor, if the child is, or should be, in mental health treatment;
 - iv.** A case manager or services coordinator responsible for ensuring that all services are coordinated and accountable;
 - v.** An advocate of the child and/or family;
 - vi.** As many other persons as are influential in the child's or family's life (erring on the side of inclusion), and who may be instrumental in developing effective services, such as a neighbor, a physician, a relative, or a friend; and
 - vii.** The child, unless to include him/her would be detrimental to his/her development.
- b. Community-Based**
 - i.** Services must be accessible within the local neighborhood, community, or area where the child and his/her family live.
 - ii.** Residential or institutional care that is restrictive of the fulfillment of the child's or family's needs should be used only for brief stabilization.
- c. Centered on the Strengths of the Child and Family – Services must include all positive aspects of the child, family, and community, as parts of individual services.**
- d. Individualized Services**
 - i.** Services must be based on the specific needs of the child and family and not on a particular, categorical intervention model.
 - ii.** These individualized services are both traditional (therapy; etc.) and non-traditional (hiring a mentor; bringing staff to live in a family home; special recreational services, etc.).
 - iii.** Traditional services should be accessed only when they can be tailored to the specific needs of the child and family

3. Elements of Case Management

- a. Communication**
 - i.** The case manager is the point person for the family as well as the service providers and other related persons associated with the plan of care.
 - ii.** Maintaining communication among all team members is key to the successful implementation of the plan.

- b. Service Monitoring
 - i. The complexity of families' lives necessitates the plan to be fluid and flexible and accommodate changes without dramatic disruption of services.
 - ii. The case manager shall closely monitor the services as well as the satisfaction of the family.
- c. Family Participation
 - i. In order for the plan of care to be implemented successfully, the family must maintain a sense of ownership and commitment to the process.
 - ii. The case manager shall ensure active family participation. Family-directed decision-making involves much more than simply inviting family members to attend team meetings.
 - iii. Families must be afforded complete and unbiased information as they make decisions within the process.
- d. 24-Hour Support
 - i. Due to the intensity of need within the family, the need for support and crisis intervention can occur at any time of the day or night.
 - ii. The case manager shall ensure that the family has access to such support.

D. Eligibility

- 1. The child must have an open case and currently be receiving services from a Lead Agency (as defined in COMAR 14.31.01.02); and
- 2. There must be a determination that the child's needs can be met without Children's Cabinet funding after a period of two (2) years, based upon:
 - a. A clinical assessment that the child's needs for the services included in the community-based service plan will substantially diminish within a two (2)-year period; or
 - b. The documented commitment of the child's Lead Agency, or other agencies or funding sources, to assume responsibility for the funding and implementation of those components of the child's plan of care to which the child is entitled after a maximum period of two (2) years.
- 3. A child who requires step-down services from a residential treatment center (RTC) IS NOT eligible for CSI services.

E. Priority - The order of priorities for serving children with CSI funding, from highest to lowest, is as follows:

- 1. A child in need of out-of-State placement;
- 2. A child in need of out-of-State placement, already placed out-of-State;

3. A child in need of residential placement, awaiting discharge from an in-State residential placement;
4. A child in need of residential placement, recommended for in-State placement; and
5. A child with intensive needs, subject to the availability of additional State funding and in accordance with the Children's Cabinet plan.

F. Entitlement

1. There is no legal entitlement to the CSI program.
2. LMBs have discretion to determine the most effective use of CSI funds provided by the Children's Cabinet.
3. An LMB's decision whether or not to provide services to an individual child is subject to eligibility requirements and may depend upon the availability of State funds, as well as such factors as the total cost of the services needed by the child, the availability of qualified providers and other relevant considerations.

G. Lead Agency

1. The Lead Agency requesting CSI funding for a child must commit to keeping the child's case open during the entire length of time that the child receives CSI funding.
2. The Lead Agency shall also take responsibility for funding and implementing those components of the child's plan of care to which the child is entitled after the CSI funding period ends if the child's need for those services continues after the CSI funding period.
3. For cases in which eligibility for CSI was met through a clinical assessment that the child's needs for services would substantially diminish within a two (2)-year period, if the child's needs do not substantially diminish within the two (2)-year period, the Lead Agency is responsible for providing [during and after the two (2)-year CSI funding period] the same level of care services that the child would be eligible for if he/she had originally been placed in an out-of-State or in-State residential placement.

H. Procedure to Obtain CSI funding

1. The Lead Agency refers the case to the LCC.
2. The LCC reviews the case and makes an initial determination of the case's eligibility; and appropriateness for CSI funding.
3. The Lead Agency representative, LCC Chair, LMB Director, and the parents/legal guardians (including any agency to which the child is committed) must sign the Memorandum of Agreement for Community Services Initiative Funding (see Appendix 5 of this Manual).

4. The LMB reviews the case and makes a final determination of eligibility and determines that CSI funds are available.
5. The LMB approves a CSI Assessment.
6. The LMB vendor completes the CSI Assessment, which will include an assessment of the child's life domains and needs, a proposed plan of care, and a proposed budget.
7. The proposed budget is reviewed by the LCC and LMB; if appropriate and funds are available, the budget may be approved by the LCC and LMB.
8. Services begin after LCC and LMB approval of the plan of care and budget.

**Although a lead agency may not request CSI funding for a child, the LCC may consider this option if it finds this appropriate.*

I. Memorandum of Agreement

1. The Lead Agency representative, LCC Chair, LMB Director, and the parents/legal guardian (including any agency to which the child is committed) must sign the Memorandum of Agreement (MOA) for Community Services Initiative Funding (see Appendix 5 of this Manual).
2. If, during the course of CSI services, other agencies assume responsibility for acting as the Lead Agency, funding, and/or overseeing the CSI plan of care, a new MOA must be signed by all parties.

J. Plans of care for CSI cases shall be reviewed by the LCC at least every six (6) months, or more frequently as indicated by the LCC.

K. The LMB shall receive quarterly reports from the CSI case management vendor.

L. Funding

1. The maximum amount of CSI funding available to a child per year is:
 - a. \$100,000 if the Lead Agency is the Core Service Agency; or
 - b. \$70,000 for all other Lead Agencies.
2. Required Match
 - a. CSI can only fund up to 70% of the cost of a Plan of Care.
 - b. The CSI plan of care/budget (Grand Spending Plan) must include documentation that demonstrates at least a 30% match from a combination of funding from the Lead Agency, other agencies, private insurance, Medical Assistance, family contributions, and/or other sources.

- c. The LMB must collect and maintain documentation of the 30% match throughout the period of CSI funding.
3. Funding for all cases will be based on the actual expenditures of the approved plan of care and the funding caps will apply to all cases.
4. All line items in the budget/Grand Spending Plan must correlate to a goal or need in the child's approved Plan of Care. All expenditures, including any Flex Fund expenditures, must comply with the requirements set forth in this Manual.
5. Funds cannot be used for residential treatment centers (RTCs), educational placements or other non-community placements or hospitalizations.
6. Funds cannot be used for any service to which the child has a legal entitlement.

M. Transition Plan

1. Transition planning shall begin at the onset of CSI-funded services.
2. The LCC and LMB shall develop a written transition plan for serving the child without CSI funding, to take effect not later than two (2) years after the initiation of CSI services.
3. Transition plans shall be documented in SCYFIS.

N. Interim Case Service Account (ICSA)

1. Currently open Interim Case Service Account cases are not subject to the funding maximums for CSI.
2. No additional cases will be designated as Interim Case Service Account cases.
3. The LMB is responsible for requesting from GOC funding for ICSA cases as needed.

O. Compliance

1. Vendors, service providers, and Care Management Entities providing CSI services must comply with applicable:
 - a. Requirements set forth in this Manual;
 - b. LMB policies and procedures;
 - c. Federal, State and local laws, regulations, and policies; and
 - d. Regulations or written guidelines adopted by the Children's Cabinet.

P. Data Collection

1. The LMB, LCC administrative staff, and the CSI vendor shall use SCYFIS to

document each child receiving CSI services and the corresponding service activities.

2. Data requirements for CSI cases are embedded in the CSI module of SCYFIS and include LCC/LMB approval, the Plan of Care/Budget, ACTLOG, and other data.
3. All SCYFIS data elements, including actual expenditures, must be completed for each CSI case.
4. SCYFIS information shall be current at all times.
5. Training for vendors and LMB staff is available by GOC upon request and as regularly scheduled.

Q. Inter-Jurisdictional Transfers

1. The sending jurisdiction Lead Agency must notify the receiving Lead Agency as soon as possible prior to the transfer.
2. The receiving Lead Agency must refer the case to the receiving jurisdiction's LCC as soon as possible, to determine if similar funding is available in that jurisdiction.
3. The receiving jurisdiction's LCC administrative staff shall create a new SCYFIS record for the child and schedule an LCC review.
4. The sending jurisdiction Lead Agency must notify the sending jurisdiction's LCC as soon as possible, and within no more than five (5) business days after the transfer.

R. Time Limit

1. CSI services may be provided to a child for a maximum of twenty-four (24) months.
2. This is a lifetime limit, effective 9/23/08.
3. If a child is eligible, CSI may fund a maximum of twenty-four (24) months of a child's plan of care.
4. Services shall be reduced or terminated prior to the end of the twenty-four (24)-month period based on (but not limited to) clinical recommendations, family request or placement in a more restrictive setting.

S. Clinical Recommendation

1. Because an RTC placement requires medical eligibility, the recommendation for an RTC placement must be signed by a licensed health care practitioner and can only be accepted if signed within the past 30 days.

T. Performance Measures

1. GOC has developed standardized performance measures tables for the CSI program

that indicate:

- a. Quantity of effort: How much did you do?
 - b. Quality of effort: How well did you do it?
 - c. Quality of effect: Is anyone better off? (Child and family results or outcomes.)
2. LMBs shall develop targets for each performance measure on the standardized performance measures table to be included in the Appendix A of the CPA each fiscal year.
3. As part of the required semi-annual and annual program report, the LMB shall provide an update on progress toward meeting the target goals of each performance measure as defined in the Appendix A of the CPA.

Subsection 30 - Rehab Option

- A. Funding is available for community-based services and community-based out-of-home placements for children with mental or developmental disabilities not in State custody, regardless of eligibility for the State Medical Assistance program.
- B. **Authority**
 1. COMAR 14.31.08.
 2. Maryland Annotated Code, Health General Article, Title 15, Subtitle 1.
- C. LCCs and LMBs are responsible for following all applicable State laws and COMAR regulations.
- D. A child is only eligible for Rehab Option services if the child:
 1. Meets the eligibility criteria in COMAR 14.31.08.03, and
 2. Meets one of the priorities for funding as noted in COMAR 14.31.08.05, and
 3. Funding is available.
- E. **Referral**
 1. The LCC referral form is the standard application for Rehab Option funding that shall be utilized by all LMBs.
 2. The LMB may develop its own mechanism for the collection of information that is required to be entered in SCYFIS.

3. There is no requirement for Lead Agency participation for Rehab Option services.
4. LMBs shall develop a local policy to address a mechanism for self-referrals for the Rehab Option program.

F. SCYFIS

1. The LMB, LCC administrative staff, and the Rehab Option vendor shall use SCYFIS to document each child referred for Rehab Option services and the corresponding service activities.
2. Data requirements for Rehab Option cases are embedded in the CSI module of SCYFIS and include approval, the Plan of Care/Budget, ACTLOG in SCYFIS, and other data.
3. All SCYFIS data elements, including actual expenditures, must be completed for each Rehab Option case.
4. SCYFIS information shall be current at all times.
5. Training for vendors and LMB staff is available by GOC upon request and as regularly scheduled.

G. Eligibility

1. A child with a mental illness or a developmental disability not in State custody, regardless of whether the child is eligible for the Maryland Medical Assistance program, is eligible for Rehab Option funded services if the child:
 - a. Is in an out-of-home placement and has been recommended for discharge but the child's family is unwilling or unable to have the child return home; or
 - b. Remains in the home but the child's family is unable to provide appropriate care for the child without additional services and the child is at risk of requiring an out-of-home placement or the treating professionals have recommended an out-of-home placement;
2. AND meets one of the following priorities:
 - a. Is a child in a residential treatment center who is eligible for the psychiatric residential treatment demonstration waiver referenced in Maryland Health-General Article, Title 15, Subtitle 1, Annotated Code of Maryland; or
 - b. Is a child whose family has requested a Voluntary Placement Agreement (VPA) if the child or family needs interim or alternative services for the purpose of:
 - i. Keeping the child at home in the community; or
 - ii. Providing an interim residential placement while the family is seeking

a VPA; or

- c. Is a child with or without Medical Assistance whose family has requested placement in an RTC or intermediate care facility for the mentally retarded and who has been determined medically eligible for this placement if services under this chapter would enable the child to continue to live at home; or
- d. Is a child in need of services to return home who is in a hospital, emergency room, RTC, or other out-of-home placement after have been identified as ready for discharge when the family is:
 - i. Unwilling to have the child return home; or
 - ii. Unable to meet the child's needs at home without additional services.

H. Services:

- 1. Are not covered or available from either the Maryland Medical Assistance program or the legal parent's, legal guardian's, or caretaker's health insurance plan; or
- 2. Cannot be funded by the parent, legal guardian, or caretaker based on the family income and resources; and
 - a. Are not intended for long-term care;
 - b. Are time-limited, not to exceed two (2) years from the first date of service, inclusive of the time during which services were funded with LCC Flex Funds; and
 - c. Include a transition plan.
- 3. For an out-of-home placement, shall be:
 - a. Short-term in duration; and
 - b. Limited to those designed to respond to the needs for crisis and respite care.

I. Entitlement

- 1. There is no legal entitlement to the Rehab Option program.
- 2. LCCs (through the LMBs) have discretion to determine the most effective use of Rehab Option funds in accordance with the guidelines set forth in COMAR 14.31.08.
- 3. An LCC's decision whether or not to provide services to an individual child is subject to eligibility requirements and may depend upon the availability of funds, as well as such factors as the total cost of the services needed by the child, the availability of qualified providers and other relevant considerations.

J. Program Model

- 1.** Each LCC, through the LMB, shall develop a local plan for implementation of the Rehab Option program and implement that plan accordingly.
- 2.** The case management model for the Rehab Option program shall be based on the model of the CSI program, although the eligibility requirements for Rehab Option funding are different.
- 3.** LMBs that are currently implementing high fidelity Wraparound funded by the Children's Cabinet, shall implement a Rehab Option program that follows the wraparound case management model.
- 4.** LMBs that are not currently implementing high fidelity Wraparound funded by the Children's Cabinet, shall implement the following case management model for the Rehab Option program:
 - a.** Definition
 - i.** The Rehab Option program is community-based, culturally competent, centered on the strengths of the child and family, and includes the delivery of coordinated, individualized services to a child.
 - ii.** Such community services are to be evaluated a minimum of two (2) times a year for effective outcomes and modified as necessary by the LCC.
 - b.** Key Elements of the Program
 - i.** An interdisciplinary services team, which includes:
 - a)** The parent and/or surrogate parent;
 - b)** A lead teacher and/or vocational counselor;
 - c)** The appropriate therapist or counselor, if the child is, or should be, in mental health treatment;
 - d)** A case manager or services coordinator responsible for ensuring that all services are coordinated and accountable;
 - e)** An advocate of the child and/or family;
 - f)** As many other persons as are influential in the child's or family's life (erring on the side of inclusion), and who may be instrumental in developing effective services, such as a neighbor, a physician, a relative, or a friend; and
 - g)** The child, unless to include him/her would be detrimental to his/her development.
 - ii.** Community-Based
 - a)** Services must be accessible within the local neighborhood, community, or area where the child and his/her family live.
 - b)** Residential or institutional care that is restrictive of the fulfillment of the child's or family's needs should be used only for brief stabilization.
 - iii.** Centered on the Strengths of the Child and Family

- a) Services must include all positive aspects of the child, family, and community, as parts of individual services.
- iv. Individualized Services
 - a) Services must be based on the specific needs of the child and family and not on a particular, categorical intervention model.
 - b) These individualized services are both traditional (therapy; etc.) and non-traditional (hiring a mentor; bringing staff to live in a family home; special recreational services, etc.).
 - c) Traditional services should be accessed only when they can be tailored to the specific needs of the child and family.
- c. Elements of Case Management
 - i. If funded, the provision of case management services for Rehab Option must comply with the following:
 - a) Communication - The case manager is the point person for the family as well as the service providers and other related persons associated with the plan of care. Maintaining communication among all team members is key to the successful implementation of the plan.
 - b) Service Monitoring - The complexity of families' lives necessitates the plan to be fluid and flexible and accommodate changes without dramatic disruption of services. The case manager shall closely monitor the services as well as the satisfaction of the family.
 - c) Family Participation
 - 1) In order for the plan of care to be implemented successfully, the family must maintain a sense of ownership and commitment to the process.
 - 2) The case manager shall ensure active family participation. Family-directed decision-making involves much more than simply inviting family members to attend team meetings.
 - 3) Families must be afforded complete and unbiased information as they make decisions within the process.
 - d) 24-Hour Support
 - 1) Due to the intensity of need within the family, the need for support and crisis intervention can occur at any time of the day or night.
 - 2) The case manager must ensure that the family has access to such support.
 - ii. Transition Planning
 - i. Transition planning for the cessation of Rehab Option funding shall begin immediately upon implementation of Rehab Option services.
 - ii. Strategies and resources that are employed should be realistic for the

family to maintain independently or with funding that is available from other sources.

iii. The LCC and LMB shall develop a written transition plan for serving the child without Rehab Option funding, to take effect not later than two (2) years after the initiation of Rehab Option services.

iv. Transition plans shall be documented in SCYFIS.

K. Procedure to obtain Rehab Option funding

1. The child's case is referred to the LCC.
2. The LCC reviews the case and makes an initial determination of the case's eligibility; and appropriateness for Rehab Option funding.
3. The Lead Agency representative, LCC Chair, LMB Director, and the parents/legal guardians (including any agency to which the child is committed) must sign the Memorandum of Agreement for Rehab Option Funding (see Appendix 5 of this Manual).
4. The LMB reviews the case and makes a final determination of eligibility and determines that Rehab Option funds are available.
5. The LMB approves a Rehab Option assessment.
6. The LMB vendor completes the Rehab Option assessment, which will include an assessment of the child's life domains and needs, a proposed plan of care, and a proposed budget.
7. The proposed budget is reviewed by the LCC and LMB; if appropriate and funds are available, the budget may be approved by the LCC and LMB.
8. Services begin after LCC and LMB approval of the plan of care and budget.

M. Memorandum of Agreement

1. In accordance with COMAR 14.31.08.07, the Lead Agency representative, LCC Chair, LMB Director, and the parents/legal guardian (including any agency the child is committed to) must sign the Memorandum of Agreement (MOA) for Rehab Option Funding (see Appendix 5 of this Manual).
2. If, during the course of Rehab Option services, other agencies assume responsibility for acting as the Lead Agency, funding, and/or overseeing the CSI plan of care, a new MOA must be signed by all parties.

N. Plans of care for Rehab Option cases shall be reviewed by the LCC at least every six (6) months, or more frequently as indicated by the LCC.

O. Funding

1. The maximum amount of Rehab Option funding available to a child per year is:
 - a. \$100,000 if the Lead Agency is the Core Service Agency; or
 - b. \$70,000 for all other Lead Agencies and other agencies and self-referrals.
2. A funding match is not required.
3. Funding for all cases will be based on the actual expenditures of the approved plan of care and the funding caps will apply to all cases.
4. All line items in the budget/Grand Spending Plan must correlate to a goal or need in the child's approved Plan of Care. All expenditures, including any Flex Fund expenditures, must comply with the requirements set forth in this Manual.
5. Funds cannot be used for RTCs, educational placements or other non-community placements or hospitalizations.
6. Funds cannot be used for any service to which the child has a legal entitlement.
7. Funds cannot be used for services for child in State-agency custody.

P. Transition Plan

1. Transition planning shall begin at the onset of Rehab Option-funded services.
2. The LCC and LMB shall develop a written transition plan for serving the child without Rehab Option funding, to take effect not later than two (2) years after the initiation of Rehab Option services.
3. Transition plans shall be documented in SCYFIS.

Q. Rehab Option vendors and service providers must comply with the requirements set forth in this Manual, as well as LMB policies and procedures and any applicable federal, State and local laws, regulations, and policies, including any regulations or written guidelines adopted by the Children's Cabinet.

R. Time Limit

1. Rehab Option services may be provided to a child for a maximum of twenty-four (24) months, inclusive of services funded with LCC Flex Funds.
2. This is a lifetime limit, effective 9/23/08.
3. If a child is eligible, Rehab Option may fund a maximum of twenty-four (24) months of a child's plan of care.

4. Services shall be reduced or terminated prior to the end of the twenty-four (24)-month period based on (but not limited to) clinical recommendations, family request or placement in a more restrictive setting.

S. Clinical Recommendation

1. Because an RTC placement requires medical eligibility, the recommendation for an RTC placement must be signed by a licensed health care practitioner and can only be accepted if signed within the past 30 days.
2. Priority 2 (Voluntary Placement) and Priority 4 (ready for discharge) no longer meet medically eligibility for placement, and thus do not require sign-off by a licensed medical practitioner.
3. Priority 2 does, however; require that the family formally apply for a Voluntary Placement Agreement with the local Department of Social Services.

T. Performance Measures

1. GOC has developed standardized performance measures tables for the Rehab Option program that indicate:
 - a. Quantity of effort: How much did you do?
 - b. Quality of effort: How well did you do it?
 - c. Quality of effect: Is anyone better off? (Child and family results or outcomes.)
2. LMBs shall develop targets for each performance measure on the standardized performance measures table to be included in the Appendix A of the CPA each fiscal year.
3. As part of the required semi-annual and annual program report, the LMB shall provide an update on progress toward meeting the target goals of each performance measure as defined in the Appendix A of the CPA.

Subsection 40 – Local Access Mechanism

- A.** The purpose of a Local Access Mechanism is to improve:
1. Coordination and utilization of existing resources and supports.
 2. Access to services by families.
 3. The identification of needed services.

B. Program Requirements

1. There is no requirement that an LMB develop a LAM.
2. LMBs using GOC funding for a LAM shall meet the minimum requirements set forth in this section.
3. Other requirements shall be established through a negotiated agreement between GOC and the LMB.
4. There is no State entitlement to a LAM or to any services listed in this section.
5. Information in resource databases and directories developed, maintained and implemented with Children's Cabinet funds shall be shared with entities as directed by the Children's Cabinet.

C. Models - LMBs may develop a LAM using one of the following models or another model approved by GOC:

1. Single Point of Access
 - a. A Single Point of Access (SPA) is the single point of entry for families who wish to enter the system, regardless of the intensity of the needs of their children.
 - b. SPA provides a pathway for families in the navigation of the service delivery system. Examples include:
 - i. A web-based resource guide.
 - ii. A 211 hotline number.
 - iii. Another hotline operating within the community.
2. "No Wrong Door" Model
 - a. Under a "no wrong door" model, families are able to enter the LAM through an array of existing services and agencies.
 - b. Existing points of access continue to serve children and families, while directing them to the LAM when appropriate.
3. Hybrid Model
 - a. In the hybrid model, the jurisdiction elects to combine elements of the two models above.
 - b. Jurisdictions may propose to maximize access to local services by providing both a centralized information and referral source (such as the United Way's 211 number – principally for families not involved with existing organizations or agencies) *and* points of access through existing services (for families already involved with or seeking categorical services for the first time).

D. Functions of the LAM

- 1.** At a minimum the LAM shall provide the following functions, unless otherwise negotiated with and approved by GOC:
 - a.** Information/Referral (I/R)
 - i.** Is the first point of contact within the LAM.
 - ii.** During that first contact, the I/R specialist will ask preliminary questions and determine if the child or family is in a crisis situation that requires immediate attention by the police, a crisis response unit, or a hospital.
 - iii.** The I/R shall have a mechanism in place that will ensure that the family is connected with the appropriate crisis response system.
 - b.** Screening to determine a family's level of need and make the appropriate referral.
 - i.** Screening does not constitute clinical evaluation or diagnosis.
 - ii.** Families requiring clinical evaluation will be referred to appropriate child-serving agencies, organizations, or appropriately credentialed professionals.
 - iii.** Some level of intervention may occur at this point if the individual or family is not willing to obtain the necessary level of service.
 - iv.** There are two (2) levels to screening, which may be done at the same time or in two (2) distinct phases:
 - a)** A screening is conducted to determine if assistance beyond information and referral is needed, including crisis intervention.
 - b)** This next level of screening is utilized when it is determined that the caller's needs exceed simple information and referral, such as when a specific problem is presented.
 - i)** This screening will generate more detailed information concerning the families' strengths, needs, previous and current use of services, and other information that is needed to best address the individual or family's expressed concerns or problems.
 - ii)** At this stage, there is a fuller identification of needs and concerns than at the first contact (although it is recognized that this screening may occur during the same encounter as the first contact).
 - c.** Assessment
 - i.** Assessment is used to identify strengths, resources and needs and to obtain information for measuring customer results.
 - ii.** An appropriate instrument shall be used to assist in the planning of non-clinical services for children and adolescents and their families, as well as to provide information for quality assurance monitoring.

E. Navigation

- 1.** LMBs may also include a navigation component in the LAM.
- 2.** Navigation is for those families who need additional assistance beyond a simple referral.
- 3.** An LMB providing Navigation will ensure that the family is:
 - a.** Assisted with identifying strengths and needs and obtaining necessary services.
 - b.** Appropriately screened and assessed by asking specific questions about current health conditions, recent family stresses, and other more detailed information.
 - i.** This screening is not, however, at the level of a clinical evaluation.
 - ii.** Families requiring clinical evaluation or diagnosis shall be referred to the appropriate child-serving agency, organization or an appropriately credentialed professional.
- 4.** Staff
 - a.** The staff position that provides navigation may be filled by either:
 - i.** A legacy family member (referred to as a Family Navigator) or
 - ii.** Another appropriately trained professional or paraprofessional (System Navigator).
- 5.** Training
 - a.** The staff person filling the navigation role is required to complete the GOC-approved training.
 - b.** These trainings will prepare family navigators and system navigators for their role and responsibilities.
 - c.** In addition to learning about system services and access
 - i.** Family navigators will receive training to prepare them for their unique dual role as family member and family navigator; and
 - ii.** System navigators will receive heightened training on family experiences and concerns.
- 6.** Secondary screening
 - a.** Navigators will provide the second level of screening and may complete a strengths and needs assessment with the family.
 - b.** Navigators do not provide clinical evaluation.
 - c.** Families requiring clinical evaluation or diagnosis shall be referred to the appropriate child-serving agency, organization or an appropriately

credentialed professional.

F. Performance Measures

1. GOC has developed standardized performance measures tables for the Single Point of Access and Navigation functions of the LAM that indicate:
 - a. Quantity of effort: How much did you do?
 - b. Quality of effort: How well did you do it?
 - c. Quality of effect: Is anyone better off? (Child and family results or outcomes.)
2. LMBs shall develop targets for each performance measure on the standardized performance measures table(s) to be included in the Appendix A of the CPA each fiscal year.
3. As part of the required semi-annual and annual program report, the LMB shall provide an update on progress toward meeting the target goals of each performance measure as defined in the Appendix A of the CPA.

Subsection 50 - Care Coordination

A. Purpose

1. Care Coordination is most often used for families and children with more intensive needs - those families found within the top of the needs triangle. See Appendix 6 of this Manual.
2. Families who receive care coordination typically need someone to manage the care plan and services until the point at which the family is ready and willing to assume this role. The care coordinator supports a single, unified plan across multiple agencies and life domains.

B. Staffing

1. The position of Care Coordinator may be filled with a family support person - someone with personal experience in navigating the system or with professionals who work in a team with a parent support person.
2. Staff persons fulfilling this role must complete the GOC-approved training required under this Manual.
3. The training will assist in preparation for the roles, as well as providing guidance on the parent-professional partnership and other elements of the System of Care.

C. Eligibility

1. Children receiving care coordination services through LMBs must be Community Medicaid Eligible.

D. Approved Model

1. LMBs that provide care coordination through Wraparound pilot sites must use high fidelity wraparound, as defined by the National Wraparound Initiative Advisory Group.
2. In Maryland, the CME:
 - a. Is a not-for-profit, 501(c)(3) organization under the Internal Revenue Service (IRS) Code that serve as a central point of service coordination and locus of accountability for identified cross-agency populations of children and youth with intensive needs, and their families.
 - b. Support the organization, management, delivery, and financing of services and supports across multiple providers and systems.
 - c. Functions include: care coordination (Wraparound service delivery), resource development and provider network management, fiscal and utilization management, data collection and reporting, and quality assurance and outcomes monitoring.
 - d. May not provide direct services to children, youth or families in Maryland, including providing Residential Treatment Center Waiver services or Public Mental Health System (PMHS) services, and may not be under contract with the Department of Health and Mental Hygiene to serve as the Administrative Service Organization for the Maryland PMHS.

E. Performance Measures

1. GOC has developed standardized performance measures tables for care coordination that indicate:
 - a. Quantity of effort: How much did you do?
 - b. Quality of effort: How well did you do it?
 - c. Quality of effect: Is anyone better off? (Child and family results or outcomes.)
2. LMBs shall develop targets for each performance measure on the standardized performance measures table(s) to be included in the Appendix A of the CPA each fiscal year.
3. As part of the required semi-annual and annual program report, the LMB shall provide an update on progress toward meeting the target goals of each performance

measure as defined in the Appendix A of the CPA.

F. Evaluation

1. LMBs funding care coordination as Wraparound pilot sites must cooperate with monitoring of fidelity to the Wraparound Service Model that provides the State with extensive fidelity monitoring and child level outcomes data for children involved in Wraparound programs.

Subsection 60 – Youth Services Bureaus

A. Purpose

1. Youth Services Bureaus (YSBs) are community-based, nonresidential entities that provide delinquency prevention, youth suicide prevention, drug and alcohol abuse prevention, and youth development services to youth and their families.
2. YSBs work to ameliorate conditions that breed delinquency, youth suicide, drug and alcohol abuse, and family disruption.
3. Each YSB functions as an advocate of the needs of youth and families.

B. Authority

1. Human Services Article, §9-233, Annotated Code of Maryland
2. Code of Maryland Regulations 16.17.01
3. Memorandum of Agreement effective July 1, 2004 between the Department of Juvenile Services and the Subcabinet¹ (See Appendix 7). This Memorandum remains in effect in accordance with the terms of Executive Order 01.01.2005.34, that stipulated that “existing policies and procedures, contracts, property, and other duties and responsibilities associated with the Subcabinet for Children, Youth, and Families and the Governor’s Office of Children, Youth, and Families shall continue in effect under the Children’s Cabinet and the Governor’s Office for Children, respectively, unless completed, withdrawn, cancelled, or modified or otherwise changed pursuant to law.”

C. Program Requirements

1. Eligibility for Services
 - a. YSBs serve youth and their families in a specific catchment area approved by the Department of Juvenile Services (DJS).

¹ To the extent that DJS has delegated YSB monitoring responsibilities to the Subcabinet (now, the Children’s Cabinet) and the Local Management Boards, the LMB may have access to information necessary to complete its monitoring functions, subject to the confidentiality safeguards applicable to DJS.

2. Each YSB shall provide the following services:
 - a. Core Services, including:
 - i. Formal Counseling
 - a) Individual, family, and group counseling shall be considered formal counseling if counseling sessions are provided on a regularly scheduled basis for more than three sessions.
 - b) Case files for each formal counseling case shall contain:
 - 1) Intake material;
 - 2) Progress and session notes;
 - 3) Service plan; and
 - 4) Termination summary.
 - c) Service plans shall be developed for each formal counseling case before the fourth counseling session and shall contain:
 - 1) A problem statement;
 - 2) Mutually agreed upon treatment goals;
 - 3) Strategies used by the counselor to meet treatment goals;
 - 4) Interactions with other parties when necessary to meet treatment goals;
 - 5) Quarterly updates.
 - d) Case files for Youth Services Bureaus are the property of the YSB who must allow access to the files as stipulated in the Memorandum of Agreement cited above.
 - e) The YSB shall document information on formal counseling sessions as described in Section D, below
 - ii. Information and Referral Services
 - a) Information and referral services shall be provided to the general public or individual clients of the YSB.
 - b) The YSB shall maintain a list of available community services.
 - c) The list shall include the name of the referral service, its address, and its telephone number.
 - d) The YSB shall document its provision of information and referral services, as described in Section D, below.
 - iii. Crisis Intervention
 - a) Crisis intervention, including intervention relating to youth suicide prevention, shall be provided to any youth and family in the community.
 - b) These services are of an emergency nature and shall be provided when the situation demands an immediate response or action by the YSB.
 - c) The type and number of crisis intervention incidents shall be documented, as described in Section D, below.
 - iv. Substance Abuse Assessment and Referral
 - a) Substance abuse assessment and referral services shall be provided by the YSB staff who have received substance abuse

assessment and referral training from the Office of Education and Training for Addictions Services of the Department of Health and Mental Hygiene or from any other entity that the Secretary of the Department of Juvenile Services determines to be qualified to provide substance abuse assessment and referral training.

b) The YSB shall document the number of substance abuse assessments and referrals the YSB provides, as described in Section D, below.

v. Informal Counseling

a) Individual, family, and group counseling is provided on an irregular basis for three or fewer sessions.

b) The YSB shall document informal counseling occurrences as described in Section D, below.

b. Non-Core Services

i. In addition to Core Services, the YSB shall identify and provide non-core services to the community.

ii. Non-core services can include, but are not limited to, tutoring, alternative leisure activities, employment assistance, and community education including training and information relating to youth suicide prevention.

iii. The YSB shall document the provision of non-core services as described in Section D, below.

3. Additional Requirements - Each YSB shall:

a. Provide services at convenient hours in a manner that is accessible to the community.

b. Promote community awareness of its services to youth and families.

c. Make referrals to existing public and private services in their communities that are available and appropriate to for the individual, family, or group.

d. Have a valid organizational structure, including a board of directors or an advisory board.

e. Follow sound personnel practices and maintain complete personnel files that include for each YSB staff member:

i. A job description;

ii. A completed criminal background check;

iii. Evidence of the staff person's educational credentials and experience;

iv. Annual staff evaluations.

f. Provide insurance coverage, as appropriate for the services provided.

- g. Establish and maintain such fiscal control and fund accounting procedures as may be necessary to assure prudent use, proper disbursement, and accurate accounting of funds.
- h. Meet the program requirements, the information reporting and confidentiality requirements set out in the Code of Maryland Regulations.
- i. If the YSB charges its clients a fee for services, the fee requirements shall meet the requirements set out in the Code of Maryland Regulations.
- j. Conduct criminal background checks for all employees and, as required by policy, volunteers.
- k. Comply with the DJS policy on reporting critical incidents.
- l. As part of its contract with the LMB, submit an annual budget.

D. Data Collection and Reporting - The LMB is responsible for having the YSB collect the following specific information on program services, demographics, and indicators on at least a quarterly basis.

1. Data Collection

- a. Formal Counseling (3+ Sessions):
 - i. Number of individuals receiving formal counseling.
 - ii. Number of individuals completing formal counseling.
 - iii. Number of families receiving formal counseling.
 - iv. Number of families completing formal counseling.
 - v. Number of groups receiving formal counseling.
 - vi. Number of groups completing formal counseling.
- b. Information and Referral Services
 - i. Number of each type of referral provided (*i.e.*, referrals to outside sources).
 - ii. Number of each type of referrals received (*i.e.*, referrals received from schools, police, DJS, etc.).
- c. Crisis Intervention (Including Suicide Prevention).
 - i. Number of each type of crisis intervention provided.
 - ii. Number of individuals receiving crisis intervention services.
 - iii. Number of individuals receiving suicide prevention services.
- d. Substance Abuse Assessment and Referral Services.
 - i. Number of individuals who received a substance abuse assessment.
 - ii. Number of individual substance abuse referrals made.

- e. Informal Counseling
 - i. Number of individuals receiving informal counseling.
 - ii. Number of families receiving informal counseling.
 - iii. Number of groups receiving informal counseling.
- f. Non-Core Services
 - i. Number of each type of non-core service provided.
 - ii. Number of individuals receiving non-core services.
 - iii. Number of families receiving non-core services.
 - iv. Number of groups receiving non-core services.
- g. Critical Incident Reports
 - i. Number of critical incident reports sent to DJS.

2. Reporting

- a. Information YSBs Report to the LMBs and DJS:
 - i. For each DJS client on informal supervision, protective supervision, probation, or aftercare status who is referred by DJS to the YSB, the YSB shall allow DJS access to the client's information and shall provide DJS confirmation of the acceptance of the client by the YSB. The YSB shall keep DJS informed at reasonable intervals to be determined by DJS of the client's attendance and cooperation in the YSB program.
 - ii. For all formal counseling cases, excluding those clients referred by DJS, the YSB shall provide DJS with the first three initials of the client's surname, the initials of the client's first and middle names, and the client's date of birth. The YSB shall inform their formal counseling cases that the information in this subsection shall be provided to DJS.
 - iii. The YSB shall obtain an appropriate release of information to comply with Code of Maryland Regulations 16.17.05A(1) and (2).
 - iv. For all bureau clients not covered by Code of Maryland Regulations 16.17.05.A.(1) or (2), the YSB shall provide non-client-identifying information, as requested, regarding program activities and statistics in the form and format approved or provided by DJS.

3. Confidentiality

- a. YSB case records shall be stored inside a locked file cabinet. The case records shall be supervised and controlled directly by an authorized YSB staff member.
- b. A YSB shall allow DJS full access to client-identifying records and files of those youth described in Code of Maryland Regulations 16.17.05.A.(1).
- c. Unless otherwise provided by law or regulation, access to client-identifying records and files without consent of the client shall be restricted to:
 - i. The youth who is subject of the record;

- ii. The parent or guardian of the youth named in the record; and
 - iii. Members of the administrative staff of the YSB.
- d. A YSB may maintain its case records in a manner that codes client-identifying information as specified in Code of Maryland Regulations 16.17.05.A.(2).
 - e. Individual case records shall be retained by a YSB for five (5) years after services to the individual are no longer necessary. The records then shall be destroyed by incineration or shredding.
 - f. Nothing in this Manual shall be construed to affect any obligation concerning client record confidentiality that is otherwise set out in any federal or State statute or regulation.

E. Program-Specific Fiscal Requirements

1. Funding of Youth Services Bureaus

- a. The funding of an eligible YSB shall be a shared responsibility of the State of Maryland and of local governments. The State's share shall be not be more than 75 percent of the funding of an eligible YSB, as provided in the State budget.
- b. At the option of the local governing body that provides the matching funds for an eligible YSB, the State funds for the support of the eligible YSB may be paid directly to its private sponsor or to the local governing body.
- c. Before the State funds are paid, the fiscal officer of the local government shall certify, in writing, the source of the 25 percent local funds.
- d. Children's Cabinet funding for YSBs shall be paid to the LMBs of record for that jurisdiction. No payments can be made prior to the execution of appropriate contracts.

2. Fees

- a. The YSB's board of directors may charge clients a fee for services that is based upon the client's family income. However, the YSB may not assess a fee for service provision to a youth referred to the YSB by court order.
- b. Before implementing its fee plan, the YSB shall consult with DJS.
- c. Fees obtained from clients may be retained by the YSB for bureau purposes.

G. Performance Measures

- 1. GOC has developed a standardized performance measures table for Youth Services Bureaus that indicate:
 - a. Quantity of effort: How much did you do?

- b.** Quality of effort: How well did you do it?
 - c.** Quality of effect: Is anyone better off? (Child and family results or outcomes.)
- 2.** LMBs shall develop targets for each performance measure on the standardized performance measures table(s) to be included in the Appendix A of the CPA each fiscal year.
- 3.** As part of the required semi-annual and annual program report, the LMB shall provide an update on progress toward meeting the target goals of each performance measure as defined in the Appendix A of the CPA.

SECTION IV – FISCAL MANAGEMENT

Subsection 10 – General Requirements

- A. **Financial Records** - Must be maintained for five (5) years after CPA reconciliation or until an audit/monitoring is completed by the Children's Cabinet, whichever is later.
- B. **Payment Rate** - The rate paid for residential and/or educational services cannot be greater than the rate set by the State for a facility unless services not included in the rate are provided for which the State sets a rate.
- C. **LMB Audit** - An independent audit of funds shall be conducted as follows:
1. If the LMB is independently incorporated, the LMB must have an annual audit performed by an independent certified public accountant and submit a copy of the *Audited Financial Statement* and *Management Letter* to GOC by the first Friday in December.
 2. If the LMB is an instrumentality of local government, the LMB shall submit to GOC:
 - a. The Comprehensive Annual Financial Report (CAFR) for the county including a separate, removable (capable of being lifted from the CAFR with opinion and notes) schedule of revenue and expenditures for the LMB operations by the first Friday in December;
 - b. The CAFR for the county with a Supplemental Schedule in the back section of the CAFR if an opinion is issued on the LMB schedule by the first Friday in December;
 - c. An *Audited Financial Statement* and *Management Letter* performed by an independent certified public accountant by the first Friday in December; or
 - d. A copy of the year-end report that has been audited by the third Friday in September (**if this option is selected, please contact GOC for special engagement requirements**).
 3. Failure to submit the audit when required will result in the withholding of future payments and may be cause for the Children's Cabinet to obtain the services of an independent auditor in order to meet the requirements set forth in this Section of the Manual.
 - a. The resulting cost incurred will be recovered via a reduction in the LMB's administrative budget.
 - b. Should this action be required, the LMB shall give its full cooperation to the selected independent auditor.

D. Vendor Audits

1. The LMB shall acquire and review a copy of each vendor's audit.
2. For any vendor that receives an aggregated sum in excess of \$300,000 in Children's Cabinet funds, the audit must include a separate schedule of revenues and expenses for the Children's Cabinet funds.
3. If a vendor is an instrumentality of local government and is included in the Comprehensive Annual Financial Report (CAFR) for the county, a supplemental schedule or a Program Disbursement Journal report shall also be submitted.
4. When contracting with vendors, each LMB should ascertain if a vendor is providing services to another LMB in order to determine if a separate schedule is applicable for the required vendor audit.
5. All LMB contracts should require a vendor who is providing services to more than one LMB to provide a separate schedule.
6. Waiver
 - a. LMBs may request a waiver of the vendor audit requirement for a specific vendor.
 - b. The request shall be made in writing and addressed to the Executive Director of GOC and shall include the following information:
 - i. Name of community vendor;
 - ii. Rationale for the waiver;
 - iii. Purpose for which the funding is to be given (*e.g.*, services, purchase of equipment); and
 - iv. Annual revenue of vendor.

F. Assets Purchased with Children's Cabinet Funds

1. Purchase/Generation
 - a. Assets purchased or materials in any form, generated or arising from the use of State funds provided under a CPA subject to this Manual shall be the sole and exclusive property of the State.
 - b. The LMB is granted a non-exclusive license, without cost or fee, to use such materials. The LMB shall not assign or transfer its license.
2. Inventory
 - a. The LMB shall maintain a written inventory of assets purchased with Children's Cabinet funds. The inventory shall include the type of item purchased; item make, model and/or serial number as appropriate; purchase date; amount of purchase; and physical location of item.

- b. The LMB must update the inventory as needed.
- c. The LMB is responsible for ensuring the whereabouts of all such assets at all times.

3. Reclamation

- a. When Children's Cabinet (on behalf of the State) funds are used to purchase assets, the State has the right to reclaim these assets and the LMB shall ensure that right is protected in all cases. Subject to existing law, the Children's Cabinet may waive the State's right of recovery.
- b. The State retains the right to claim and dispose of any equipment or property that has been purchased with funds provided by the Children's Cabinet, before the asset may be considered fully depreciated using IRS Guidelines on useful lives of assets.
- c. If the Children's Cabinet has funded, in whole or in part, the down payment, mortgage, or payments on buildings or real property, including payment of principal or renovation or remodeling costs, the Children's Cabinet has a secured interest in the building or real property.
 - i. The Children's Cabinet may record this interest in the property with the local jurisdiction to assure that the title will not be transferred without satisfaction of the Children's Cabinet's interest.
 - ii. Before the LMB makes any funds available for an approved project involving the purchase/development of real property, the LMB shall ensure that the State's right of recovery is protected in the event that within fifteen (15) years after the program opens, the property is no longer used for the purpose of the award.
 - a) The amount of recovery shall include:
 - 1) An amount that equals the value of the project property at the time of the recovery multiplied by a fraction:
 - i) The numerator of which is the amount of the State funds for the project property; and
 - ii) The denominator of which is the total eligible cost of the project property; and
 - 2) All costs and reasonable attorneys' fees incurred in the recovery proceedings.
 - iii. In case of sale of any such buildings or real property, the State shall be entitled to recover the portion of the net sale price based on its share in the building or real property. The Children's Cabinet is to act prudently and fairly to claim assets in accordance with the interest of the general public.

4. Disposal

- a.** Except for real property, assets purchased with Children's Cabinet funds that are fully depreciated using IRS guidelines or have reached the end of their useful life, whichever is earlier, may be disposed of by the LMB as directed by GOC.
- b.** When disposing of computers, the LMB shall ensure that the all data from the hard drive is erased or wiped clean which entails more than simply deleting files. The LMB shall maintain documentation of this process.
- c.** The LMB shall document the equipment's disposal as part of its routine inventory control.
- d.** The LMB shall maintain documentation of asset purchase, depreciation and disposal.
- e.** The LMB must request permission from GOC prior to the disposal of assets purchased with Children's Cabinet funds.

G. Sales and Use Tax Exemption

- 1.** LMBs are required to obtain and use a Maryland Sales and Use Tax exemption certificate as appropriate in order to make specific purchases without paying sales and use tax.
- 2.** LMBs which are exempt from the payment of sales and use taxes shall routinely employ the exemption certificate to avoid paying said taxes.
- 3.** LMBs which are exempt from the payment of sales and use taxes shall not provide reimbursement of sales and use taxes paid by staff.

H. Gift Cards

- 1.** Gift cards purchased with Children's Cabinet funds are considered assets and are subject to the conditions in this Section IV, Subsection 10 of the Manual.
- 2.** Gift cards purchased for a defined program purpose shall be used during the fiscal year purchased. If unused at the end of the fiscal year, gift cards shall be considered assets and expensed in the following year.
- 3.** At the end of the fiscal year, the vendor shall provide a complete accounting of the gift cards purchased (including type of card, denomination and number of each), utilized and available.
- 4.** The purchase of gift cards may not be authorized in order to circumvent established LMB or GOC policies – including but not limited to *e.g.*, flex fund, accounting, purchasing, payroll or others.

5. The value of each gift card shall not be greater than the maximum petty cash transaction and the cumulative total of all gift cards on hand shall not exceed the limit for petty cash on hand.

Subsection 20 - Funding Principles

A. **Maximum Funding** - The award figure stated in the CPA and presented in detail on form GOC 200 is the maximum amount of funding for which the Children's Cabinet shall be responsible, unless amended.

B. **Supplemental Award**

1. The LMB may request supplemental funding at any time.
2. It is recommended that the LMB contact the Executive Director of GOC prior to submission of a request to ensure that additional funds are available and to ascertain if any special conditions may be imposed.
3. The LMB must provide the rationale for the supplemental award to the Executive Director in writing upon request, if additional funding is available.

C. **Budget Modification**

1. A budget modification of Appendix B to the CPA is a revised budget that restates the original budget and incorporates line item changes desired by either the LMB or the Children's Cabinet to achieve a new budget.
 - a. A budget modification does not affect the total amount of the Children's Cabinet award.
 - b. See Section II, Subsection 20 of this Manual for more information on modifications.
2. A budget modification must be submitted to and approved by GOC on behalf of the Children's Cabinet for proposed changes in the following controlled categories and/or line items, unless otherwise specified in the agreement, whenever:
 - a. Funds are moved from administration to service or service to administration;
 - b. Any administrative line item changes by \$10,000 or 5%, whichever is greater; and/or
 - c. Funds are moved between programs, except Community Service Initiative line items, for which LMBs may move money from one to the other without budget modifications.

D. **Reduction**

1. GOC, on behalf of the Children's Cabinet, or the LMB may reduce an award.

2. Generally, the reasons an award may be reduced include, but are not limited to:
 - a. Delay in developing a new program;
 - b. Failure to meet service targets;
 - c. Reduction in the scope of services to be delivered;
 - d. Reduction in appropriations;
 - e. Request of the LMB; and/or
 - f. Failure to comply with the terms and conditions of the CPA.

E. Termination

1. Upon termination of operation, the LMB must submit a final report of receipts and expenditures within forty-five (45) days after the effective date of termination.
2. If money is due to the Children's Cabinet, a check in the full amount due should accompany the report.

F. Unauthorized Expenditures

1. Unauthorized expenditures become the responsibility of the LMB.
2. Unauthorized expenditures include, but are not limited to:
 - a. All expenditures that cause total expenditures to exceed the amount of the approved budget;
 - b. All expenditures that exceed the approved budgeted amount (for controlled categories or line items only - see paragraph C of this Subsection); and
 - c. All expenditures that are at variance to an explicit provision of the CPA.

G. Income Shortfall - Any shortfall in non-Children's Cabinet budgeted income, unless recognized by the Children's Cabinet, becomes the liability of the LMB.

H. Expanded Community Partnership Carry-Over/Carry-Forward

1. There is no automatic carry-over of unspent CPA funding for CPAs executed on or after July 1, 2007.

Subsection 30 - Income Principles

A. Background

1. This subsection establishes and/or adopts the principles by which program income is considered.

2. The policy addresses both the Children's Cabinet award and all other income, and reviews the relationship among income types.

B. Income - All income resulting from, earmarked for, or allocated to the operation or proposed operation of the LMB must be identified in all budgets and the year-end fiscal report.

C. Order of Utilization

1. All non-restricted income shall be applied before the Children's Cabinet funds are used.
2. Children's Cabinet funds shall not be used to supplant income from other sources.

D. Restricted Funds

1. When certain income is restricted by the funding source, its treatment is dependent upon its relationship to the children, youth and family services program supported by Children's Cabinet funding as follows:
 - a. If the restricted funds are in support of the program also supported by the Children's Cabinet award, then the funding should be identified as income allocated to the program and displayed in the budget and fiscal reporting documents; or
 - b. If the designated/restricted funds are not in support of the program being supported by the Children's Cabinet award, then the income is not shared by the Children's Cabinet. However, the nature of the program and amount of the income must be disclosed and the LMB must provide documentation of the restriction upon request.

E. Interest Income

1. The LMB must deposit all Children's Cabinet funds and those funds allocated to the Children's Cabinet supported program in a federally-insured or secured interest-bearing account when such funds are not required to meet current expenses, with the exception of any federal funds which must be handled in accordance with the appropriate federal guideline(s).
2. Interest income from the above deposits must be identified to the Children's Cabinet upon request.
3. Interest earned will be awarded to the LMB as earned reinvestment and may not be used to augment LMB administrative funds.
4. In accordance with earned reinvestment provisions in Section IV, Subsection 60 of this Manual, prior approval is necessary before the LMB's expenditure of funds.

F. Income in Excess of Budget Estimate

1. For non-Children's Cabinet income in excess of the amount budgeted, the LMB may

- request approval to use the excess income by submitting a budget modification request.
2. The Children's Cabinet will either approve or deny that request, following the procedures for budget modification in Subsection 20, paragraph C of this Section IV.
 3. When non-Children's Cabinet income exceeds the final approved budget (which may include one or more budget modifications), the excess income will be used to offset Children's Cabinet funding, absent provision to the contrary in the CPA.

G. Income Shortfall

1. Any shortfall in income becomes the liability of the LMB unless recognized by the Children's Cabinet via an approved budget modification.
2. Such a shortfall may be compensated for by either a reduction in LMB expenditures or an increase in other income, or both.

Subsection 40 - Accounting Standards

- A. Standards** – The LMB must maintain records on an accrual basis in accordance with Generally Accepted Accounting Principles (GAAP) or Generally Accepted Governmental Accounting Principles (GAGAP), except as otherwise specifically provided in this Manual.

B. Accounting Policy

1. Each LMB is required to develop and operate in accordance with a written accounting/policy manual, a copy of which must be made available to the Children's Cabinet or its representative upon request.
2. At minimum, the guidelines in Appendix 8 of this Manual must be addressed in the written accounting/policy manual.

C. Conflict of Interest

1. An LMB that is an instrumentality of local government must comply with the State's or the local jurisdiction's conflict of interest laws and regulations.
2. An independently-incorporated LMB shall maintain written conflict of interest policies.

D. Related Party Transactions

1. Transactions with organizations that are associated with or controlled by the LMB, LMB board members, and/or LMB employees must be disclosed.
2. Such transactions may be subject to additional review by GOC to determine the propriety of the transaction, *e.g.*, that a fair price was paid for goods or services

obtained.

- E. All expenditures must be charged to the appropriate line item of the budget.
- F. Earned reinvestment funds must be maintained in separate ledger accounts and not comingled with other funds.

Subsection 50 - Cost Principles

- A. This subsection establishes the cost principles for Children's Cabinet funding.

B. Reasonable Costs

- 1. A cost is reasonable if, in its nature and amount, it does not exceed that which would be incurred by a prudent person under the circumstances prevailing at the time the decision was made to incur the cost.
- 2. The question of reasonableness is particularly important when governmental units or components are predominately federally funded.
- 3. In determining the reasonableness of a given cost, consideration shall be given to:
 - a. Whether the cost is of a type generally recognized as ordinary and necessary for the operation of the governmental unit or the performance of the federal award;
 - b. The restraints or requirements imposed by such factors as: sound business practices; arm's length bargaining; federal, State and other laws and regulations; and terms and conditions of the federal award;
 - c. Market prices for comparable goods or services;
 - d. Whether the individuals concerned acted with prudence in the circumstances considering their responsibilities to the governmental unit, its employees, the public at large, and the federal government; and
 - e. A significant deviation from the established practices of the governmental unit, which may unjustifiably increase the federal award's cost.

C. Direct Costs

- 1. Direct costs are those that can be identified specifically with a particular final cost objective.
- 2. Typical direct costs chargeable to Children's Cabinet funding include:
 - a. Compensation of employees for the time devoted and identified specifically to the performance of the funding;

- b. Cost of materials acquired, consumed, or expended specifically for the purpose of the funding;
- c. Equipment and other approved capital expenditures purchased specifically to carry out the purpose of the funding; and
- d. Travel expenses incurred specifically to carry out the purpose of the funding.

D. Indirect Costs

1. Indirect costs are those incurred for a common or joint purpose benefiting more than one cost objective, and not readily assignable to the cost objectives specifically benefited, without effort disproportionate to the results achieved.
2. The term “indirect costs,” as used herein, applies to costs of this type originating in the grantee, as well as those incurred by other subgrantees in supplying goods, services, and facilities.
3. To facilitate equitable distribution of indirect expenses to the cost objectives served, it may be necessary to establish a number of pools of indirect costs with the organization or subgrantee organizations providing services to a grantee.
4. Indirect cost pools should be distributed to benefited cost objectives on bases that will produce an equitable result in consideration of relative benefits derived.
5. A formal written cost allocation plan and indirect cost proposals based on standard accounting practices must be available upon request.
6. Limitation on indirect or administrative costs.
 - a. In addition to restrictions contained in this Manual, there may be laws that further limit the amount of administrative or indirect cost allowed.
 - b. Amounts not recoverable as indirect costs or administrative costs from another funder may not be charged to Children’s Cabinet funding, unless specifically authorized by the GOC on behalf of the Children’s Cabinet.

E. Allowable Costs – Allowable costs include, but are not limited to:

1. All direct and indirect costs associated with Children’s Cabinet-funded activities, except for any direct and indirect costs associated with unallowable costs listed in Paragraph F, below; and
2. A bonus based on job performance, job appraisal or some other measurable criteria and available to all employees within the same class and not used to increase an employee’s salary and/or to circumvent payroll limitations.

F. Unallowable Costs – Unallowable costs include, but are not limited to:

1. Salary of a parent representative to the LCC;
2. Alcoholic beverages;
3. Bad debts;
4. Contributions and donations;
5. Defense and prosecution of criminal and civil proceedings, claims, appeals and patent infringement;
6. Entertainment costs;
7. Incentive compensation as follows:
 - a. That does not involve all sources of funding;
 - b. That does not include the majority of staff, and
 - c. Is not issued pursuant to an agreement or an established plan entered into in good faith between the organization and the employees before the services were rendered.
 - d. A bonus given to an employee is taxable income to that employee and must be reported accordingly.
 - e. The award of a bonus must be based on job performance, job appraisal or some other measurable criteria and available to all employees within the same class and not used to increase an employee's salary and/or to circumvent payroll limitations;
8. Personal use by employees of organization-furnished automobiles (including transportation to and from work) and other assets;
9. Fines and penalties;
10. Assets, goods or services for personal use;
11. Interest on borrowed capital/lines of credit;
12. Costs of organized fundraising;
13. Costs of investment counsel/management;
14. Lobbying (the IRS allows 25% of activity for lobbying before impacting non-profit status.);

15. Losses on other awards;
16. Renovation/remodeling and capital projects (unless specific written approval has been provided in advance by GOC on behalf of the Children's Cabinet.);
17. Gifts for employees and/or Board members;
18. Food and beverages, except for:
 - a. Those incurred by employees traveling overnight on official business;
 - b. Bulk drinking water for coolers where tap water is not potable;
 - c. Those routine expenses for the operation of a youth program (*e.g.*, snacks served to youth on a regular basis at an after school program funded by the LMB); and/or
 - d. Meetings/focus groups/forums where the majority of attendees expected are family and/or youth;
19. Costs of training/technical assistance offered by the Innovations Institute and other consultants that GOC makes available to the LMB at no cost; and/or
20. Any plaque or item presented to a speaker, official, legislator, or other person in recognition of service provided with a value in excess of \$50.

Subsection 60 - Earned Reinvestment

- A. Earned reinvestment dollars can only be "earned" from administrative funds and interest income (except interest earned on federal funds, unless said interest does not have to revert to the federal government).

B. Sources of Earned Reinvestment Funds

1. Administrative Earnings
 - a. Local Management Boards will receive earned reinvestment dollars on budgeted administrative cost in excess of 5% of actual administrative costs.
 - b. The total of actual administrative costs plus earned reinvestment is capped by the budgeted administrative allocation (actual administrative expenses + .05 [actual administrative expenses] = administrative allocation).

2. Interest

C. Intent

1. The original intent for the use of earned reinvestment funds was defined in the Implementation Plan for SB588 (1992) that was issued in January 1993 that stated:

“monies saved through effective refinancing efforts and flexible funding should be available for reinvestment in building resource capacity and in providing incentives to local jurisdictions for local development and/or enhancement of services and programs.”

2. The Subcabinet issued guidelines for earned reinvestment in March 1993 requiring that the LMB develop a plan for the expenditure of the funds that addresses:
 - a. Development of community-based services;
 - b. Development of prevention and early-intervention services.
3. In September 1997, the Subcabinet revised the guidelines to include the following projects in addition to the guidelines noted above:
 - a. Community outreach;
 - b. Training and technical assistance;
 - c. Leveraging and/or maximizing other funding sources (both public and private);
 - d. Other approved children/family services as identified by the LMB.

D. Earned Reinvestment Plan

1. Prior to expenditure, the LMB must submit to the Executive Director of GOC a request to utilize earned reinvestment funds that:
 - a. Is signed by both the LMB Director and Board Chair;
 - b. Describes in detail the scope of the program/project, the target population to be served, and the goals/outcomes to be achieved.
2. The request must be submitted in writing and sent via the mail and include a detailed budget with budget narrative and a statement certifying that reinvestment dollars from the appropriate source(s) are available for the project(s). Response on behalf of the Children’s Cabinet can be anticipated within thirty (30) days.
3. As directed by GOC, the LMB shall submit a new/revised performance measures table for strategies funded with earned reinvestment dollars. The performance measures table shall be incorporated as appropriate in the current CPA.
4. Approvals for the expenditure of earned reinvestment are generally valid for a specified period of time. At the end of the specified period, the LMB shall submit a new request to GOC for approval or may submit a request for a no-cost extension as follows:
 - a. By mailing a written request signed by the LMB Director and Board Chair to the attention of the Executive Director of GOC who will review and approve

or deny the request on behalf of the Children's Cabinet.

- b.** Requests must be postmarked thirty (30) days prior to the end of the term.
- c.** No-cost extension requests require a short narrative explaining why the project could not be completed as planned and the revised timeline for program completion. Revised performance measures tables may be required, as applicable.
- d.** Additional information may be required if the LMB requests to modify the scope of the original project or budget.
- e.** GOC will respond to the LMB within thirty (30) days of receipt of the request. GOC's response may be delayed if additional information from the LMB is required.
- f.** No-cost extensions must be requested and GOC approval obtained prior to the LMB making any associated changes.

5. Earned reinvestment spending plans must be revised as applicable.

6. Uses

- a.** There are two uses for earned reinvestment funds:
 - i.** The primary use is the development of community-based services for children.
 - a)** When CMEs are fully operational, resource development projects will require CME cooperation in order for funding to be approved.
 - 1)** If a CME identifies a resource development need, either jurisdictional-specific or a regional need, the LMB shall:
 - i)** Determine its support or non-support of the project; and
 - ii)** Submit the request and letter of support or non-support to GOC for review.
 - 2)** If approved by the Children's Cabinet, a jurisdictional-specific project will be funded by the LMB.
 - 3)** If a regional project is proposed, it must be funded by all LMBs in a pro-rated amount based on available funding.
 - ii.** Other projects as identified by the LMB, such as but not limited to:
 - a)** Community outreach;
 - b)** Training and technical assistance;
 - c)** Leveraging and/or maximizing other public or private funding

- sources;
- d) Other locally requested initiatives identified by the LMB; and/or
- e) Community needs assessments, to the extent that administrative funding is not available.

7. Limitations

- a. Earned reinvestment funds SHALL NOT be expended until GOC, on behalf of the Children's Cabinet, has approved the plan.
- b. Prior written approval from GOC must be received if an LMB desires to expend such funds for purposes not approved in the current plan or in a manner different from the approved plan. Such changes require a new plan to be submitted to GOC.
- c. Earned reinvestment funds SHALL NOT be used to supplant existing funding.
- d. Requests for ongoing program funding or for salary expenses require a concrete plan for future sustainability, such as a documented commitment from another entity to provide needed funding.
 - i. A proposal to seek funding, investigate foundation grants, or other tentative action is not a valid sustainability plan.
 - ii. Ongoing programs are required to become self-sustaining.
- e. Earned reinvestment funds shall not be used for program expansion or to implement new programs that are not self-sustaining.
- f. Earned reinvestment funds SHALL NOT be used to supplement the local tax base or to provide tax cuts.
- g. Earned reinvestment funds that are held by a foundation or other entity remain subject to all the requirements under this Manual.

Subsection 70 - Reconciliation

- A. Reconciliation is a fiscal resolution of the CPA pending audit and settlement, usually conducted at the termination of the CPA period or at the end of each fiscal year.
 - 1. The reconciliation operation is an arithmetic check of expenditures and incomes, a determination of net balances, and disposition of those balances.
 - 2. Reconciliation is based upon reported expenditures and incomes, subject to correction by GOC.

- B. Any funds not expended within each fiscal year must be returned to the Children's Cabinet Interagency Fund unless otherwise directed by the Children's Cabinet or a carry-forward, carry-over or no-cost extension is approved in accordance with the terms below, with the exception of earned reinvestment (See Subsection 60, below).
- C. The settlement of the CPA may involve resolving post-audit issues, as identified in monitoring and reporting documents.
- D. Unbudgeted expenditures and over-expenditures in controlled line items that have not been previously approved by the Children's Cabinet are subject to non-recognition.

E. Recognition of Expenditures and Income Subject to Audit and Settlement

- 1. All expenditures and income recognized for purposes of reconciliation, whether incurred in accordance with an approved budget or not, are subject to audit by the Children's Cabinet or its agent.
- 2. Subsequent to identification as an audit exception, an expenditure may or may not be allowed in whole or in part by GOC as part of final settlement.

F. Findings

- 1. The results of reconciliation can be effectuated in several ways.
- 2. The process below relates net recognized expenditures plus earned reinvestment to the total of the Children's Cabinet's payments to date.
 - a. **Expenditures Plus Earned Reinvestment Greater than Payments** - When the LMB's expenditures are greater than the Children's Cabinet's payments, the appropriate result is dependent on the relationship of the total of payments to the award total as follows:
 - i. When payments are less than or equal to the award, the difference between the expenditures plus earned reinvestment and payments, limited by the award, is due to the LMB.
 - ii. When payments are equal to the award, no money is due to either party.
 - iii. When payments are greater than the award, the difference between the payments and the award is due to the Children's Cabinet Interagency Fund.
 - b. **Expenditures Plus Earned Reinvestment Less than Payments** - When the LMB's expenditures plus earned reinvestment are less than the Children's Cabinet's payments, the appropriate result is dependent on the relationship of the expenditures plus earned reinvestment to the award as follows:
 - i. When expenditures plus earned reinvestment are less than or equal to the award, the difference between the total payments and the expenditures plus earned reinvestment is due to the Children's Cabinet Interagency Fund.

- ii. When expenditures plus earned reinvestment are greater than the award, the difference between total payments and the award is due to the Children's Cabinet Interagency Fund.
- c. **Expenditures Plus Earned Reinvestment Equal to Payments** - When expenditures plus earned reinvestment equal payments, the appropriate result is dependent on the relationship of the payments to the award as follows:
 - i. When payments are less than or equal to the award, no money is due to either party.
 - ii. When payments exceed the award, the difference between the total of payments and the award is due to the Children's Cabinet Interagency Fund.

G. Disposition - Net balances due to the parties will be disposed of as follows:

- 1. No Balance Due - No action required.
- 2. Balance Due to LMB - GOC will instruct its fiscal agent to issue payment to the LMB if there is no outstanding receivable for the LMB. A check will be issued to the LMB.
- 3. Balance Due to Children's Cabinet Interagency Fund - A balance due to the Children's Cabinet Interagency Fund will be acted upon in one or more of the following ways:
 - a. Account Receivable - If the organization has ceased to be an LMB, an account receivable will be established and the organization shall be billed.
 - b. Carry-Over
 - i. If the LMB continues to deliver services, the amount due will be considered a cash advance (payment) of the following year's award.
 - ii. This operation is referred to as carry-over, and can only be initiated by GOC.
 - iii. The Children's Cabinet may invoke the carry-forward procedure concurrent with the reconciliation operation.
 - c. Carry-Forward
 - i. The Children's Cabinet may elect to permit the LMB to utilize the balance due from one year in the following year's operations.
 - ii. This is accomplished by re-awarding the balance due and is referred to as carry-forward.
 - iii. The Children's Cabinet may invoke carry-forward procedures concurrent with the reconciliation operation.
 - d. No-cost extension.

H. Notice

1. Reconciliation findings will be communicated by GOC.
2. A copy of the reporting document (GOC 800) showing the details of the reconciliation will accompany the notice.
3. The notice shall be distributed to:
 - a. The LMB Director and Board Chair;
 - b. The grant/contract file for the fiscal year being reconciled;
 - c. The grant/contract file for the fiscal year affected by carry-over (where applicable); and
 - d. Other parties, as requested.

Subsection 80 - Flex Funds

A. Description

1. Flex funds are funds used for expenditures in support of items outside a defined Plan of Care for a child or family receiving services through programs funded by the Children's Cabinet Interagency Fund.
2. Flex funds are for out-of-the-ordinary expenses that may arise and are not meant for planned expenses that occur on a regular, non-emergent basis.

B. Conditions

1. All flex fund expenditures must be used to support the defined Plan of Care for the child/family.
2. Flex fund dollars are to be used for reasonable and necessary costs.
3. The use of gift cards for flex fund expenditures is subject to the terms and conditions in Section IV, Subsection 10 of this Manual.

C. LMB Policy

1. The LMB must establish a written flex fund policy and procedures to ensure accountability and ensure that all flex fund expenditures are verifiable.
2. The LMB should revise its policy as needed and communicate the changes to all parties.

D. Spending Authorization

1. The LMB shall establish three (3) levels of spending authorization with a

corresponding dollar amount for each level of flex fund purchases as follows:

- a. The lowest level of spending authority should be established for caseworkers;
 - b. The second authority level should be established for caseworker supervisors; and
 - c. The highest level of authority must include LMB approval of the expenditure.
2. For example, an LMB could establish spending authorization levels as follows:
 - a. Caseworkers are authorized for all expenditures not exceeding \$200;
 - b. Caseworker supervisors are authorized for expenditures over \$200 but not more than \$500; and
 - c. Any expenditures over \$500 must be authorized by the LMB. As such, expenditures over \$500 will require three signatures.

E. Documentation

1. The LMB must require and ensure the use of a pre-numbered standardized form to be used by all staff to document flex fund expenditures.
2. The form must contain the following:
 - a. The name of the client;
 - b. The vendor's name and business address;
 - c. An itemized description of the expenditure;
 - d. A signature by the client establishing receipt of goods/services;
 - e. A dated signature line for each level of spending authority; and
 - f. A statement that precedes each signature line which reads: "The above itemized purchases are necessary and reasonable for family support and/or family preservation."

SECTION V - APPENDICES

APPENDIX 1

Suggested Vendor Contract Provisions for Compliance with Federal HIPAA and State Confidentiality Law

1. The Contractor acknowledges its duty to review and comply, to the extent applicable, with all requirements of the federal Health Insurance Portability and Accountability Act (HIPAA), 42 U.S.C. §1320d *et seq.* and all implementing regulations including 42 CFR Part 2, 45 CFR Parts 142, 160 and 164. The contractor also agrees to comply, where applicable, with the Maryland Confidentiality of Medical Records Act (MCMRA), Md. Health-General §4-301 *et seq.* This obligation includes, but is not limited to adhering to the privacy and security requirements entailed for protected health information under federal HIPAA and State MCMRA, making the transmission of all electronic information compatible with the federal HIPAA requirements, and otherwise providing good information management practices regarding all health information and medical records.
2. Protected Health Information as defined in the HIPAA regulations at 45 CFR 160.103 and 164.501, means information transmitted as defined in the regulations, that is individually identifiable; that is created or received by a healthcare provider, health plan, public health authority, employer, life insurer, school or university, or healthcare clearinghouse; and that is related to the past, present, or future physical or mental health or condition of an individual, to the provision of healthcare to an individual. The definition excludes certain education records as well as employment records health by a covered entity in its role as employer.

APPENDIX 2

Program Documents for the LMB Monitoring Site Visit

GENERAL ADMINISTRATION

- *Needs Assessments
- *Strategic Plan
- *Annual and semi-annual reports (based on Appendix A to the CPA) submitted to GOC

INTERAGENCY FAMILY PRESERVATION (IFP)

- *IFP Transition Plan

COMMUNITY SERVICES INITIATIVE (CSI) and REHAB OPTION

- *List of all cases served to date during the fiscal year under review
- Access to CSI/Rehab Option files to review eligibility documentation
- *Vendor contract(s)
- *Monitoring efforts (tools, work papers, reports and any other documentation supporting the LMB's monitoring efforts)
- LCC Minutes (documenting required reviews)
- Monthly/quarterly reports (if applicable)

LOCAL COORDINATING COUNCIL (LCC)

- *List of all out-of-State cases served to date for the fiscal year under review
- LCC Policies and Procedures Manual
- LCC minutes (documenting required reviews)
- Flex fund policy
- Access to LCC case files

CPA-FUNDED PROGRAMS

- *Vendor contracts, including any amendments/budget modifications
- *Monitoring efforts (tools, work papers, reports and any other documentation supporting the LMB's monitoring efforts)
- Monthly/quarterly program and fiscal reports, data and any other reports required per contract
- Evaluation plan/results

*Please provide a copy of all items with an asterisk

Please be prepared to present other information/documentation that may be needed by the Monitoring Team.

Fiscal Documents for the LMB Monitoring Site Visit

ADMINISTRATION AND PERSONNEL

- *Detail payroll registers; payroll allocations between programs/departments (if applicable)
- *List of personnel for the period reviewed (former employees also) to include employee's position title
- *LMB membership list indicating each member's affiliation (public or private designation), voting rights, when term began and contact information (phone and email address) for Board Chairperson
- *Organizational chart for fiscal year under review
- *Related party transactions – list of all transactions for the period under review
- Board meeting minutes for the period under review
- Conflict of interest policy and signed conflict of interest statements (if applicable)
- Employee/personnel policies and procedures manual

REVENUE

- *Administrative in-kind contributions detailed (*i.e.*, rent, utilities, accounting/auditing services, etc.)
- *Journal entries for interest earned on deposited revenue and investments
- *Revenue detail reports (including cash receipts register, if applicable)
- Revenue collection policy/procedure (if not included in fiscal policy manual)

EXPENDITURES

- *Earned reinvestment spending plans, LMB request letters and GOC approval letters and documentation of actual expenditures (if not included in expenditures/disbursements register/journal)
- *Expenditure/cash disbursements journal
- *List of vendors and contract award amount for each vendor for period under review
- All grant agreements/contracts/MOUs/MOAs with consultants for period under review
- Petty cash policy (if applicable)
- Purchase orders and original invoices and supporting documentation
- RFPs issued for period under review
- Resource Development Enhancement Fund (RDEF) grant expenditures

FINANCIAL REPORTING

- *GOC Form 600 Report
- *GOC Form 700 Report
- *Engagement letter for next audit
- *Chart of accounts, fund codes and/or transaction codes for LMB (for GOC funds only)
- *Community Partnership Agreement with any budget modifications for period under review
- *General ledger printout (July 1st thru June 30th) for the fiscal year under review
- *Inter-fund transfers (if applicable)

- Adjusting/closing journal entries for period under review (if applicable)
- Fiscal policies and procedures manual
- Independent audit report for period under review
- Investment account statements for period under review
- Monthly bank statements for the fiscal year under review and monthly reconciliation documentation
- Monthly credit card statements for the fiscal year under review
- Procurement policy (if separate from fiscal policies)
- Vendors audit reports for fiscal year under review

* Please provide a copy of all items with an asterisk

Please be prepared to present other information/documentation that may be needed by the Monitoring Team.

APPENDIX 3

Sample Client Satisfaction Survey

Date Survey Received:

Method Received:

- LMB Letter
- LMB Phone Call
- LMB Visit
- Vendor Letter
- Vendor Phone Call
- Vendor Visit
- Other (Describe if selected)

Required Survey Questions

How would you rate the quality of service you have received?

- 4 = Excellent
- 3 = Good
- 2 = Fair
- 1 = Poor
- N/A

Have the services you received helped you to deal more effectively with your problems?

- 4 = Yes, they helped a great deal
- 3 = Yes, they helped somewhat
- 2 = No, they really didn't help
- 1 = No, they seemed to make things worse
- N/A

If a friend were in need of similar help, would you recommend our program to him or her?

- 4 = Yes, definitely
- 3 = Yes, I think so
- 2 = No, I don't think so
- 1 = No, definitely not
- N/A

APPENDIX 4

Memorandum of Agreement for Community Services Initiative Funding

This Agreement, between and among the _____ (Local Management Board), the _____ (Lead Agency) and _____, (the Parents/Guardians), the parent(s)/guardian(s) of _____ (Child's Name), collectively, the "Parties," establishes the conditions for the provision of Community Services Initiative (CSI) services and funding for the child.

Requests for CSI funding must be approved by the Lead Agency, LCC, and LMB and meet eligibility requirements. CSI funding is not an entitlement and is subject to the availability of funds.

The Parties agree that they have discussed, fully understand, and accept the following conditions for CSI funding:

- 1. CSI Program** - CSI funding is provided to the LMB by the Children's Cabinet, with services provided by the LMB's designated contractor. The purpose of the CSI funding is to provide community-based alternatives to more restrictive residential placement to children who meet eligibility criteria established in State regulations, for a period of up to two (2) years (COMAR 14.31.01.). Services may terminate prior to the end of the two-year period if clinically indicated or if the documented commitment of the child's Lead Agency, or other agencies or funding sources, to assume responsibility for the funding and implementation of those components of the child's plan of care to which the child is entitled after a maximum period of two (2) years, or if the child otherwise ceases to be eligible for the CSI program. CSI services for the child will be provided in accordance with the Plan of Care (the current version is attached as Appendix 1), which shall be revised periodically.
- 2. Lead Agency Responsibility** - During the course of this agreement, the Lead Agency shall be responsible for: _____ (*specify tasks*). The Lead Agency is responsible for keeping the child's case open and providing services during the entire period of CSI funding (unless another LCC member agency agrees to assume the Lead Agency responsibilities). The Lead Agency is responsible for submitting documentation to the LCC/LMB (on a monthly basis) of all Lead Agency expenditures included in the matching funds for the child's Plan of Care. The Lead Agency is responsible to continue to provide any and all agency services for which the child and family are in need and eligible.

For cases in which eligibility for CSI was met through a clinical assessment that the child's needs for services would substantially diminish within a two (2)-year period: If the child's needs do not substantially diminish within the two (2)-year period, the Lead

Agency is responsible for providing (during and after the 2-year CSI funding period) the same level of care services that the child would have been eligible for if he/she had originally been placed in an out-of-state or residential placement.

3. **LMB Responsibility** - The LMB, with its designated contractor, shall be responsible for the administration of this agreement. The LMB will (or require its CSI vendor to) collect (on a monthly basis) and maintain documentation on all funding of the Plan of Care by other entities (parents/guardians, Lead Agency, insurance, etc.).
4. **LCC Responsibility** - The LCC is responsible for reviewing the child's case at least every six (6) months, to ensure that services are meeting the child's needs and that the child is making progress on Plan of Care goals. In conjunction with the Lead Agency, parents/guardians, and CSI vendor, the LCC is responsible for developing a transition plan (due by the end of the first year of CSI funding) for the ending of CSI funding.
5. **Parent/Guardian Responsibility** - The parents/guardians shall fully cooperate with the LMB, the LCC, the Lead Agency, and the CSI vendor in the implementation of the child's Plan of Care (Appendix 1). The parents/guardians shall diligently pursue reimbursement for services in the Plan of Care through any private or public insurance coverage that they may have and shall apply for any potential additional funding source for those services that may be identified by the LMB, Lead Agency, or CSI vendor. The parents/guardians are responsible for submitting documentation to the LCC/LMB (on a monthly basis) of all parental/guardian expenditures included in the matching funds for the child's Plan of Care.
6. **Duration of Services** - If approved by GOC, CSI services will begin within the next thirty (30) days, and shall terminate within two (2) years after the date upon which the services begin, or upon completion of the Plan of Care, whichever is earlier. CSI services and funding may not extend past that termination date. Services may be terminated at an earlier date upon the request of the parent/guardian, or upon a determination of the Lead Agency, LCC, LMB, or GOC that CSI services are no longer appropriate to meet the health, educational or safety needs of the child, or no longer meet the requirements of federal or State law. Upon termination of CSI services, any services for which the child is legally entitled from the lead agency or other agencies shall continue or resume. The parents/guardians may terminate CSI services at any time.
7. **Responsibilities Upon Termination of CSI Services – Immediately upon implementation** of the Plan of Care, the LCC, LMB, and Lead Agency will coordinate transition planning to assist the child's parents/guardians in seeking other services after the termination of the child's participation in CSI services. The child's parents/guardians accept full responsibility for the child's care upon termination of CSI services, except to the extent that the child may be legally entitled to other services under federal or State law, or to the extent that the LMB or other public agencies or private organizations may be able to identify other service options and funding to become effective on or before the CSI services termination date.

- 8. Confidentiality** - Information concerning the child and the services provided by the CSI program shall be kept confidential. Such information may be disclosed only to the LCC, LMB, service providers and potential service providers, GOC, and the Children's Cabinet, for the purposes of administering the CSI program. Client-specific information shall not be redisclosed, nor shared with any other persons, without the prior written consent of the parent/guardian.
- 9. Students with Disabilities** - If the child is a student with disabilities under the Individuals with Disabilities Education Act, 20 U.S.C. § 1400 *et seq.* ("IDEA"), the child's CSI services will be consistent with the child's Individualized Education Program ("IEP"), and may supplement that which is provided in the IEP. However, IDEA's due process provisions, including the "stay put" provision, 20 U.S.C. § 1415(j), do not apply to CSI services that exceed the requirements of the child's IEP and nothing in this agreement shall be construed to permit the child's services under the Community Services Initiative to effectuate the provisions of §1415(j) of the Individuals with Disabilities Act, 20 U.S.C. § 1400 *et seq.*
- 10. Voluntary Placement Agreement** - This agreement is not a Voluntary Placement Agreement under Maryland Annotated Code, Family Law Art., §5-501, and nothing in this agreement may be construed to effectuate the procedural or other rights associated with voluntary placements under Maryland law.
- 11.** The Parties shall comply with the requirements for CSI services and funding established in State regulations and Children's Cabinet policy.

CSI funding is not an entitlement; CSI funding is subject to eligibility requirements and availability of funding.

The Parties agree to the above conditions:

_____	_____
Parent(s)/Guardian(s)	Date

_____	_____
Parent(s)/Guardian(s)	Date

_____	_____
LMB	Date

_____	_____
Lead Agency	Date

APPENDIX 5

Memorandum of Agreement for Rehab Option Funding

Date

Name

Address

City, State, Zip

Dear [INSERT NAME]

As discussed at the Local Coordinating Council (LCC), your child, [INSERT NAME], is eligible to receive Rehab Option services funded through the [INSERT NAME OF LMB]. The purpose of this letter is to summarize important aspects of the initiative to give you a clear understanding of what to expect.

This initiative offers services to children in, or at risk of, an out-of-home placement, who have been identified as candidates for a program of alternative services provided within Maryland and within the child's home community. With these services, children who otherwise may have required extended placements far from their homes and families are able to receive appropriate, less restrictive services within Maryland.

We believe that your child may benefit from Rehab Option services, and are pleased that we were able to work together to develop a plan of care to meet your child's needs. Before our service providers begin to implement the agreed-upon plan of care, we want you to be aware of the following:

•AN ALTERNATIVE PROGRAM.

Participation in the program is voluntary with the family, and continuation of services is dependent upon family participation and cooperation. The services are provided at the discretion of the Local Management Board ("LMB") and its service providers.

Should you become dissatisfied with the plan of care or its implementation during the service period, you are free to terminate these services and resume any services for which your child is legally eligible in the community.

•DURATION OF SERVICES.

The specific services that your child will receive are indicated in the plan of care. Every [INSERT TIMEFRAME – AT LEAST EVERY 6 MONTHS PER COMAR], the plan of care will be reviewed at an LCC meeting. You can use this time to assess what is working and what is not and make changes as appropriate. Before terminating services, the plan of care will be reviewed and revised to include a transition plan. This plan will describe how your child will continue to succeed in the community once Rehab Option services end. The maximum length of

Rehab Option services is two years from the first day of service received although services may end sooner, if clinically indicated. Please understand that these services are:

- ✓ Not an entitlement;
- ✓ Subject to change and termination; and
- ✓ Subject to the availability of funds.

• **CONFIDENTIALITY.**

Information concerning your child, your child's needs, and the services provided under the Rehab Option plan of care will be kept confidential. Such information may be disclosed only to the LCC, service providers and potential service providers, and the program monitors. These individuals agree to maintain the confidentiality of the information. It will not be redisclosed, nor shared with any other persons, without prior, written consent.

• **STUDENTS WITH DISABILITIES.**

Students with disabilities receiving services under the Individuals with Disabilities Education Act, 20 U.S.C. § 1400 et seq. ("IDEA"), may also receive Rehab Option services. These services will be consistent with the child's Individualized Education Program ("IEP"), and may supplement that which is provided in the IEP. A student with disabilities remains entitled to IEP services and IDEA's due process rights during participation and Rehab Option services and at the end of the service period. Please note, however, that IDEA's due process provisions, including the "stay put" provision, 20 U.S.C. § 1415(j), do not apply to Rehab Option services that exceed the requirements of the child's IEP.

We look forward to serving your child and working with you to meet her needs.

Sincerely,

Name

Title

I do not have the resources to pay for all the services my child needs. Although a financial contribution is not required in order to receive services, the LMB/LCC has assessed my ability to contribute toward the plan of care. I have read the above summary of the Rehab Option program, and I understand and agree to its contents.

Parent Name(s)

Parent(s) Signature

Date

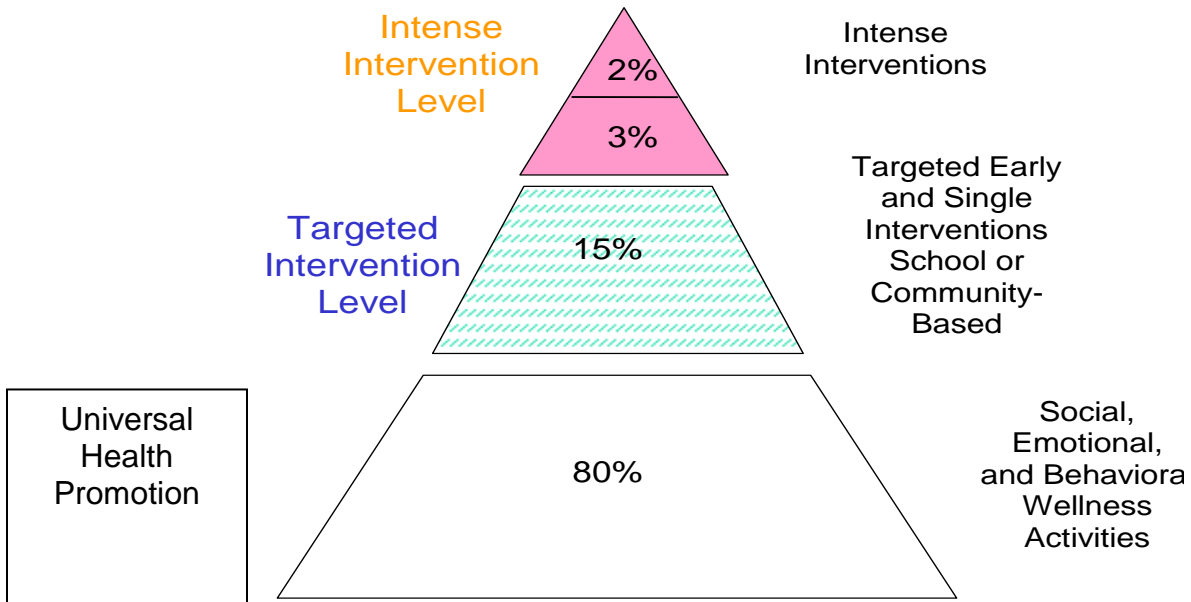
Youth Name

Youth Signature

Date

APPENDIX 6

The Needs Triangle



APPENDIX 7

INTER-GOVERNMENTAL AGREEMENT BETWEEN GOVERNOR'S OFFICE FOR CHILDREN, YOUTH, AND FAMILIES ON BEHALF OF THE SUBCABINET FOR CHILDREN, YOUTH, AND FAMILIES AND THE DEPARTMENT OF JUVENILE SERVICES

THIS AGREEMENT, effective as of July 1, 2004, is made by and between the Governor's Office for Children, Youth and Families ("GOCYF") on behalf of the Subcabinet for Children, Youth, and Families, and the Department of Juvenile Services ("DJS").

Whereas, under Md. Ann. Code, Art. 83C, §2-122(c) ("§2-122"), the Department of Juvenile Services ("DJS") is responsible for the monitoring of operations and the evaluation of the effectiveness of Youth Services Bureaus ("YSB"); and

Whereas, State funding of Youth Services is provided annually through an appropriation to the Subcabinet Fund; and

Whereas, §2-122 further requires the DJS to stop funding any YSB that is ineffective or, for 2 years, has failed to meet eligibility guidelines set out in COMAR 16.04.01; and

Whereas, DJS and the Subcabinet have developed an interagency approach to the monitoring and evaluation of YSBs that, consistent with COMAR 16.04.01.04(E), integrates these activities into the administration, monitoring and evaluation systems already established by the Subcabinet for programs supported by Subcabinet Funds; and

Whereas, under Md. Ann. Code, Art. 49D, §11, each local jurisdiction shall establish and maintain a Local Management Board ("LMB") to ensure the implementation of a local, interagency service delivery system for children, youth and families; and

Whereas, the monitoring and evaluation of YSB activities are performed by each local jurisdiction's LMB under the oversight of the GOCYF;

Therefore, DJS and GOCYF, on behalf of the Subcabinet, now agree that the following administrative, monitoring and evaluation activities required by §2-122 and COMAR 16.04.01 shall be performed in accordance with Subcabinet standards and procedures by each LMB representing a jurisdiction where a Subcabinet-funded YSB is located ("participating LMB") as follows:

A. Responsibilities of the Parties

1.1 Responsibilities of GOCYF

1.1.1 GOCYF shall provide funding, as appropriated annually into the Subcabinet Fund, to participating LMBs for distribution to their respective Youth Services Bureaus.

1.1.2 GOCYF shall establish YSB monitoring and evaluation standards and procedures, to be implemented by each participating LMB, subject to the approval of DJS and the Subcabinet. Such standards and procedures shall meet all requirements set out in COMAR 16.04.01.04 for the operation and funding of YSBs, including provisions for ensuring that participating LMBs shall have access to, and shall safeguard the confidentiality of, information concerning YSB clients and operations, in accordance with the COMAR 16.04.01.05.

1.1.3 GOCYF shall provide written monitoring and evaluation procedures, technical assistance, oversight, monitoring, and other support as needed to participating LMBs to ensure the proper and thorough implementation of YSB monitoring and evaluation in accordance with the standards and procedures approved by DJS and the Subcabinet.

1.1.4 GOCYF shall annually receive and review monitoring and evaluation reports from each participating LMB, including the LMB's findings regarding the YSB's compliance with COMAR 16.04.01, the effectiveness of the YSB, the YSB's progress toward meeting the requirements of any corrective action plan entered into by the YSB under COMAR 16.04.01(D)(3), and the LMB's recommendations regarding the continuation of funding for the YSB and any corrective actions that may be necessary as conditions of continued funding.

1.1.5 GOCYF shall forward each participating LMB's monitoring and evaluation report to DJS and the Subcabinet for review and approval. With the approval of DJS, the Subcabinet may accept or modify the LMB's findings and recommendations.

1.1.6 Upon approval of the findings and recommendations regarding each YSB by DJS and the Subcabinet, GOCYF shall inform the appropriate LMB of any funding adjustments or corrective actions approved by DJS and the Subcabinet for implementation by the LMB.

1.2 Responsibilities of DJS

1.2.1 DJS shall collaborate with GOCYF in the establishment of the YSB monitoring and evaluation standards and procedures, to be implemented by each participating LMB, to ensure that the standards and procedures conform with the requirements of COMAR 16.04.01.04 for the operation and funding of YSBs.

1.2.2 DJS shall authorize and, as necessary, facilitate the access of participating LMBs and GOCYF monitors to information concerning YSB clients and operations, in accordance with the COMAR 16.04.01.05.

1.2.3 DJS shall annually review monitoring and evaluation reports from each participating LMB, to ensure that they adequately address each YSB's compliance with COMAR 16.04.01, the effectiveness of the YSB, the YSB's progress toward meeting the requirements of any corrective action plan entered into by the YSB under COMAR 16.04.01(D)(3), and to approve or modify the LMB's recommendations regarding the continuation of funding for the YSB and any corrective actions that may be necessary as conditions of continued funding. Implementation of any such recommendations is contingent upon approval by DJS.

B. TERMS AND TERMINATION

2.1 The terms of this Agreement shall take effect on July 1, 2014, and shall continue for a period of five years.

2.2 The parties may agree in writing to an earlier termination date.

3. GENERAL PROVISIONS AND CONDITIONS

3.1 The terms of this Agreement and its execution are subject to all applicable Maryland laws and regulations and approval of other agencies of the State of Maryland as required under State laws and regulations.

3.2.1 It is understood and agreed that the DJS shall not be liable in any action or tort, contract or otherwise for any action of GOCYF. GOCYF shall indemnify the DJS against liability for any suits, actions, or claims of any character arising from or relating to the performance of GOCYF or its employees or agents under this Agreement, up to the amount for which it is found to be liable under the Maryland Tort Claims Act, §§12-101 et. seq., State Government Article, Maryland Annotated Code.

3.2.2 It is understood and agreed that GOCYF shall not be liable in any action or tort, contract or otherwise for any action of the DJS. The DJS shall indemnify GOCYF against liability for any suits, actions, or claims of any character arising from or relating to the performance of the DJS or its employees or agents under this Agreement, up to the amount for which it is found liable under the Maryland Tort Claims Act, §§ 12-101 et. seq., State Government Article, Maryland Annotated Code or other applicable State Statutes.

3.3 The parties shall comply with all applicable federal, State and local governmental standards and requirements, including procurement, personnel, licensing and permit laws and ordinances, as are necessary for the lawful providing of the services required under the terms of this Agreement.

3.4 GOCYF shall designate Scott Finkelsen and Charlene Uhl to serve as Project Officer for this Agreement. DJS shall designate Sara Hunter to serve as Project Officer for this Agreement. All contact between GOCYF and the DJS regarding all matters relative to this Agreement shall be coordinated through the parties' designated Project Officers.

3.5 This Agreement may be amended as GOCYF and the DJS mutually agree in writing, upon approval of the Subcabinet Partnership Team ("SPT"). Except for the specific provision of the Agreement, which is thereby amended, the Agreement shall remain in full force and effect after such amendment.

3.6 The parties shall operate under this Agreement so that no person, otherwise qualified, is denied employment or other benefits on the grounds of race, color, sex, creed, national origin, age, sexual orientation, marital status, or physical or mental disability which would not reasonable preclude the required performance.

3.7 Both parties hereby expressly acknowledge the possibility of substantial changes in federal regulations applicable to this Agreement and expressly agree to renegotiate this Agreement as necessary to comply with such changes; provided that any increase in the scope of work or cost of performance will be compensated for by a budget increase or, in the alternative, by modifying the scope of work to reduce the cost of performance.

3.8 The parties shall retain all books, records, and other documents relevant to this Agreement for a period of no less than three years after the date of final payment, a resolution of audit findings, or disposition of non-expendable property, whichever is later, and, upon receipt of reasonable written notice, shall grant to the other party full access thereto. The right to examine any of said materials shall be afforded federal and/or State auditors who shall have substantiated in writing a need therefore in the performance of their official duties, and such other persons as are authorized by the parties. Each party will provide to the other party a copy of that part of any audit performed by federal, local, State or independent auditors that relates to the performance of this Agreement and the administration of funds provided pursuant to this Agreement.

3.9 Except in accordance with a court order, neither party shall use or disclose any information concerning a recipient of the services provided under this Agreement for any purposes not directly connected with the administration of such services, except upon written consent of the other party and the recipient or his/her responsible parent, guardian, or legal representative or as required by § 10-611 et. seq., State Government Article, Maryland Annotated Code. Nothing in this section shall limit the ability of the parties to access such information in the course of their monitoring responsibilities under this Agreement.

The confidentiality of children's medical, educational, juvenile services, social services and other records accessed in the course of implementing this agreement shall be maintained in accordance with the requirements of relevant federal and State laws, including, but not limited to the Health Insurance Portability and Accountability Act and the Family Educational Rights and Privacy Act.

3.10 This Agreement represents the complete, total and final understanding of the parties, and no other understandings or representations, oral or written, regarding the subject matter of this Agreement, shall be deemed to exist or to bind the parties hereto at the time of execution.

3.11 Any dispute arising from this Agreement shall be decided by the Subcabinet or its designee.

IN WITNESS WHEREOF, the parties have executed this Agreement.

FOR THE DJS:

FOR GOCYF:

Signature

Signature

Name

Name

Title

Title

Date of Signature

Date of Signature

APPENDIX 8

Requirements for the LMB Accounting Manual

A. General Ledger

1. The function of the General Ledger is to accumulate and classify the transactions posted from the journals.
 - a. The framework for this system is the chart of accounts.
 - b. The general ledger accounts are the source of all the financial reports used.
 - c. It is therefore, critical that the accounting records are properly controlled.
2. The General Ledger is the starting point for gathering various components of financial information in complying with the financial reporting provisions of the Children's Cabinet contract.
3. The following information will assist in developing the specific financial information required for various Children's Cabinet reports as well as the overall management of the total organization:
 - a. All amounts in the Report of Final Expenditures and Revenues should agree with the corresponding account balance(s) in the General Ledger. Any differences should be reconciled and retained for future review.
 - b. The Children's Cabinet program(s) are to be separately accounted for and identified from other programs by an individual chart of accounts in the General Ledger.
 - c. Any activity reflected in subsidiary records (*e.g.*, Accounts Receivable and Accounts Payable) should be reflected in the corresponding control account in the General Ledger.
 - d. Specific account balances used in the preparation of various tax returns should be reconciled to the General Ledger.
 - e. General Ledgers should contain adequate cross references to the source(s) so they can be easily identified and traced back to original documentation.
 - f. After all adjustments have been entered into the General Ledger at the end of the State fiscal year (or as otherwise designated), a twelve (12)-month General Ledger should be run. This enables the review of all transactions concerning a single account at the same time, and which should allow any mistakes to be noticed.

- g. At a minimum, all activity should be posted to the general ledger monthly.

B. General Journal Entries

1. The General Journal is an accounting record used to record all transactions for which special journals have not been provided.
2. All journal entries posted to the General Ledger should contain sufficient information to explain all the various adjustments and postings made to accounts.

C. Cash Management

1. Internal Control

- a. Division of responsibilities, also known as separation of duties, should be split into the following three functions:
 - i. Authorization;
 - ii. Custody of assets; and
 - iii. Record-keeping functions.
- b. Internal control over cash transactions should also provide assurance that:
 - i. All cash that should have been received was in fact received and recorded promptly and accurately; and
 - ii. Cash disbursements are made only for authorized purposes and are properly recorded.

2. Cash Receipts

- a. Control should be established over all cash and checks received, and they should be deposited daily in the entity's bank accounts.
- b. Cash receipts should be protected from misappropriation.
- c. Physical access to cash receipts and cash receipt records should be limited to authorized personnel; personnel that handle cash should not be responsible for the recording of cash receipts.
- d. Additionally, cash receipts should be recorded in the appropriate period.
- e. The following general guidelines must at a minimum be implemented:
 - i. All cash receipts should be recorded daily and properly substantiated with supporting documentation;
 - ii. All funding received from the Children's Cabinet should be recorded in a General Ledger Account designated for Children's Cabinet programs;
 - iii. All funds generated or earned in the Children's Cabinet program should be recorded in separate General Ledger Account designed for Children's Cabinet programs;
 - iv. Maintain cash listing for all receipts;

- v. All checks received should be restrictively endorsed “for deposit only” immediately upon receipt and deposited daily;
- vi. Generate pre-numbered multi-form receipts when cash is received;
- vii. Account for all pre-numbered cash receipt forms monthly. Any missing cash receipt forms should be investigated; and
- viii. Perform a periodic independent verification of pre-numbered cash receipt forms to the validated deposit slip. This will ensure that all recorded collections were deposited.

3. Cash Disbursements

- a. Disbursements from bank accounts should be made only for valid transactions.
- b. The payment of goods and services should be organized to ensure that no unauthorized payments are made, that complete and accurate records are made of each payment, and that payments are recorded in the appropriate period.
- c. Additionally, physical access to cash and unissued checks must be restricted to authorized personnel.
- d. The following general guidelines must at a minimum be implemented:
 - i. All cash disbursements should be substantiated with supporting documentation which includes, but is not limited to, invoices, canceled checks, properly prepared time sheets, travel expense forms, etc. Statements by themselves are not considered proper documentation;
 - ii. State and federal funds are to be used only for the purpose specified in the CPA; State and federal funds are not to be used for loans to employees, other programs, etc.;
 - iii. Checks written off or voided that were charged to the Children’s Cabinet program in a prior contract period must be charged back to the appropriated account and reported to GOC; and
 - iv. All expenditures must be charged to the proper detail budget and the detail line-item budget accounts.

4. Check Signing - The following general guidelines must at a minimum be implemented:

- a. Checks should have two (2) signatures (for approval) whenever possible. Each person signing the check should review all the supporting documentation;
- b. Checks must not be made payable to cash or bearer;
- c. An authorized check signer may not issue a check made payable to him/herself or cash;

- d. Checks must not be signed with a blank amount;
- e. Bank signature cards must be reviewed and updated at least annually and whenever an authorized signer terminates employment;
- f. There should be adequate check controls to ensure that no one staff person has the authority to approve, issue, sign and/or endorse a check; and
- g. Except for electronically issued checks, where signatures are required on checks, only the original signature of the specified individual will be accepted. Electronic signatures, signature stamps, and other alternatives will not be accepted, except when submitted as a reasonable accommodation under the Americans with Disabilities Act.

5. **Other Check Controls** - The following general guidelines must at a minimum be implemented:

- a. All disbursements (other than petty cash) should be made by check;
- b. All checks should be sequentially numbered so that it can be established that all checks have been accounted for;
- c. All checks should be preprinted with the organization's name and address; and
- d. Voided checks must be maintained and filed in numerical sequence.

6. **Other Cash Disbursement Controls** - The following general guidelines must, at a minimum, be implemented:

- a. Vendors' monthly statements must be compared with recorded liabilities at the end of each quarter;
- b. Invoice arithmetic and charges must be checked prior to payment. A comparison is also made to purchase orders and receiving tickets prior to payment; and,
- c. Pre-numbered purchase orders are used for purchases.

7. **Cash Reconciliation**

- a. Adequate steps should be taken to confirm the accuracy of the bank balances shown in the general ledger.
- b. All funds should be properly controlled, maintain, and safeguarded.
- c. At a minimum, the following shall be done:

- i. Bank balances, as shown by the bank statements, should be reconciled regularly with the general ledger balance. A monthly bank reconciliation should be performed for each bank account. These reconciliations should be performed by someone other than the person responsible for writing or recording checks;
- ii. Bank reconciliations and proposed adjustments to the general ledger cash balances should be reviewed by a party independent of the initial reconciliation; and
- iii. Any checks found to be over six (6) months old should be either reissued or written off. If the check(s) from the same contract period are written off, the check amount(s) should be debited to cash and credited to the same account charged when the check was issued.

8. Petty Cash

- a. Petty cash is the amount of cash on hand available for minor disbursements (maximum of \$250) in accordance with written policy.
- b. Under this system, cash is disbursed and from time to time restored to its original amount through reimbursements equal to sums expended.
- c. All petty cash transactions should be properly substantiated with supporting documentation in accordance with internal written policy.
- d. Wage or salary advances or loans cannot be made from this fund.

9. Credit cards

- a. LMBs shall establish or adopt written policies for the use of credit cards;
- b. Use of the credit card shall conform to the established policies;
- c. Receipts shall be maintained for each transaction and shall be reconciled to the expenses reported on monthly statements; and
- d. The use of the credit card may not circumvent established LMB or GOC policies – including but not limited to procurement, flex fund, accounting, purchasing, payroll or others.

D. Payroll and Fringe Benefits

- 1. The establishment of strong internal control for payroll functions is important to reduce the possibility of payroll fraud. Such fraud may involve listing fictitious persons on the payroll, overpaying employees, and continuing employees on the payroll after their separation from the entity.
- 2. All payroll disbursements should be properly substantiated with supporting documentation, which includes a properly completed time sheet, in accordance with

LMB written human resources policy; and

3. Salaries from the payroll records should reconcile to the amount of salaries charged in the General Ledger. Gross salaries reported to governmental entities on payroll tax returns should reconcile to the General Ledger.

E. Professional and Consultant Fees - The budget usually contains information pertaining to the types of professionals and consultants, rate of compensation, kind(s) of service to be rendered, and any maximum cap for the compensation received by each professional or consultant.

1. All disbursements must be properly substantiated with supporting documentation.
2. A policy forbidding the acceptance of gifts or other gratuities by employees from professionals and consultants must be established.
3. The rate of pay and number of hours worked for each type of professional and consultant should not be greater than the amount budgeted and/or contracted.
4. Determination of the appropriate status of an individual is the sole responsibility of the contracting party. Claims and penalties resulting from improper designation of an employee as an independent contractor or consultant are the responsibility of the contracting party.
5. Officers, employees, and members of the Board of Directors shall not be paid consultants to that organization.

F. Common Costs

1. Common costs, sometimes called shared costs, are costs incurred that benefit more than one program.
2. Common costs could include administration costs, salaries, data processing services, utilities, telephones, office supplies, insurance, accounting and audit fees.
3. The basis of cost allocation should be consistent for all programs.
 - a. Reasons for adoption of an allocation method should be documented and available for review by GOC auditors.
 - b. Inconsistent methodology may result in possible, partial or total disallowance of common costs allocated to Children's Cabinet programs.
4. Common costs should be evaluated at the beginning of each funding period.

G. Equipment Inventory System – Individual program budgets should contain a specific list of equipment that is approved for purchase, as applicable.

H. The LMB shall ensure that the invoices are agreed to the terms of the contracts prior to payment.